

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2016

NEW ISSUE – BOOK-ENTRY ONLY

**Ratings: S&P: “_____”
Fitch: “_____”
See “Ratings” herein.**

In the opinion of Nossaman LLP, Irvine, California, Bond Counsel, based on existing statutes, regulations, rulings and court decisions and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excludable from gross income for federal income tax purposes. Interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxable income, although Bond Counsel observes that it is included in adjusted current earnings in calculating corporate alternative minimum taxable income. In the further opinion of Bond Counsel, interest on the Bonds is, under existing law, exempt from State of California personal income taxes. Bond Counsel expresses no opinion regarding other federal or State tax consequences relating to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. See “TAX MATTERS” herein.

**\$[33,000,000]*
MARIN EMERGENCY RADIO AUTHORITY
2016 SPECIAL PARCEL TAX REVENUE BONDS**

Dated: Date of Delivery

Due: August 1, as shown below

The Marin Emergency Radio Authority (the “Authority”) 2016 Special Parcel Tax Revenue Bonds (the “Bonds”) are being issued to provide funds to (i) finance capital improvements to the existing countywide public safety and emergency radio system (the “System”) owned and operated by the Authority, and (ii) pay costs of issuance of the Bonds. See “THE SYSTEM, THE PROJECT AND THE PLAN OF FINANCE” herein. The Bonds will be issued and secured pursuant to the terms of an Indenture of Trust, dated as of [May] 1, 2016 (the “Indenture”), by and between the Authority and U.S. Bank National Association (the “Trustee”).

Interest on the Bonds, which is payable semiannually on each February 1 and August 1, commencing February 1, 2017, and the principal thereof are payable by the Trustee to Cede & Co., and such interest and principal payments are to be disbursed to the beneficial owners of the Bonds through their nominees. The Bonds are issuable in fully registered form and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company. Individual purchases will be made in principal amounts of \$5,000 and integral multiples thereof and will be in book-entry form only. Purchasers of the Bonds will not receive certificates representing their beneficial ownership in the Bonds but will receive credit balances on the books of their respective nominees. **The Bonds are subject to redemption prior to maturity and purchase in lieu of redemption as more fully described herein.** See “THE BONDS.”

The Bonds are special obligations of the Authority payable solely from, and are secured by a first and prior lien on, Revenues of the Authority. “Revenues” generally consist of revenues from a special parcel tax (the “Parcel Tax,” and the revenues from such Parcel Tax herein being referred to as the “Parcel Tax Revenues”) levied and collected by the County of Marin (the “County”) on each taxable parcel of real property within the County. The Parcel Tax was authorized by Measure A approved by the voters of the County at the November 4, 2014 election (“Measure A”). Additional bonds secured by the Revenues on a parity with or subordinate to the Bonds may be issued in the future. See “SECURITY FOR THE BONDS” and “PARCEL TAX AND RELATED INFORMATION.”

Neither the faith and credit nor the taxing power of the State of California (the “State”) or any public agency thereof or the Authority or any Member of the Authority (including the County) is pledged to the payment of the Bonds, except for the Parcel Tax to be levied by the County and pledged to pay the Bonds. The Bonds do not constitute a debt, liability or obligation of the State or any public agency thereof (other than a special obligation of the Authority payable solely from the Measure A Parcel Tax Revenues) or any Member of the Authority (including the County), and neither the directors or officers of the Authority nor any persons executing the Bonds are liable personally on the Bonds by reason of their issuance. The Authority has no taxing power.

**Maturity Schedule
\$ _____ Serial Bonds**

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price/ Yield**</u>	<u>CUSIP[†] (Base: 56781T)</u>	<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price/ Yield**</u>	<u>CUSIP[†] (Base: 56781T)</u>
2019					2027				

* Preliminary, subject to change.

** Reoffering prices/yields are provided by the initial purchaser. The Authority takes no responsibility for the accuracy thereof.

† CUSIP data included herein is provided by the Standard & Poor’s CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. and is provided for convenience of reference only. None of the Authority, the County or the Underwriter is responsible for the selection or correctness of the CUSIP numbers set forth herein.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment without notice. 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 prior to registration or qualification under the securities laws of such jurisdiction.

2020
2021
2022
2023
2024
2025
2026

2028
2029
2030
2031
2032
2033

\$ _____ % Term Bonds Due August 1, 20__ Price/Yield** - _____% CUSIP† _____

BIDS FOR THE PURCHASE OF THE BONDS WILL BE RECEIVED BY THE AUTHORITY AT ____ A.M. CALIFORNIA TIME ON _____, 2016, AS PROVIDED IN THE OFFICIAL NOTICE OF SALE INVITING BIDS DATED _____, 2016, UNLESS POSTPONED AS SET FORTH IN SUCH OFFICIAL NOTICE OF SALE. See "SALE OF THE BONDS" herein.

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of the Bonds. Investors are advised to read the entire Official Statement to obtain information essential to the making of an informed investment decision. Capitalized terms used but not defined on this cover page will have the meanings set forth herein.

The Bonds are offered when, as and if delivered and received by the Underwriter, subject to the approval as to their legality by Nossaman LLP, Irvine, California, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Authority by Hawkins Delafield & Wood LLP, San Francisco, California, Disclosure Counsel. Certain legal matters will be passed upon by general counsel to the Authority by Richards, Watson & Gershon, San Francisco, California. It is anticipated that the Bonds will be available for delivery through the facilities of The Depository Trust Company on or about April __, 2016.

Dated: _____, 2016.

No broker, dealer, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement in connection with the offering made hereby and, if given or made, such information or representations must not be relied upon as having been authorized by the Authority. Neither the delivery of this Official Statement nor any sale hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Authority since the date hereof. 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 Bonds in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information contained in this Official Statement has been obtained from the Authority and other sources believed by the Authority to be reliable.

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements.” Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget” or other similar words. 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 Authority does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur.

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or opinions, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of facts.

In connection with this offering, the underwriters may overallocate or effect transactions which stabilize or maintain the market price of the 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 Authority maintains a website. The information presented on such website is not incorporated by reference as part of this Official Statement and should not be relied upon in making investment decisions with respect to the Bonds. Various other websites referred to in this Official Statement also are not incorporated herein by such references.

The Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon an exemption contained in such Act. The Bonds have not been registered or qualified under the securities laws of any state.

MARIN EMERGENCY RADIO AUTHORITY

MEMBERS AND GOVERNING BOARD MEMBERS

Tiburon Fire Protection District – Richard Pearce, President
County of Marin – Matthew Hymel, Vice President
City of Belvedere – Mary Neilan
Town of Corte Madera – David Bracken
Town of Fairfax – Chris Morin
City of Larkspur – Scott Shurtz
City of Mill Valley – Angel Bernal
City of Novato – Pat Eklund
Town of Ross – Tom Gaffney
Town of San Anselmo – Doug Kelly
City of San Rafael – Diana Bishop
City of Sausalito – John Rohrbacher
Town of Tiburon – Michael Cronin
Bollinas Fire Protection District – Anita Tyrrell-Brown
Inverness Public Utility District – James Fox
Kentfield Fire Protection District – Mark Pomi
Marin Community College District – Todd Kidder
Marin County Transit District – Amy Van Doren
Marin Municipal Water District – Krishna Kumar
Marinwood Community Service District – Thomas Roach
Novato Fire Protection District – Steve Metcho
Ross Valley Fire Service – Mark Mills
Southern Marin Fire Protection District – Martin Langeveld
Stinson Beach Fire Protection District – Kenny Stevens
Central Marin Police Authority – Todd Cusimano

AUTHORITY STAFF

Maureen Cassingham, Executive Officer
Pat Echols, Operations Officer

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Irvine, California

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FINANCIAL ADVISOR

Sperry Capital Inc.
Sausalito, California

TRUSTEE

U.S. Bank National Association
San Francisco, California

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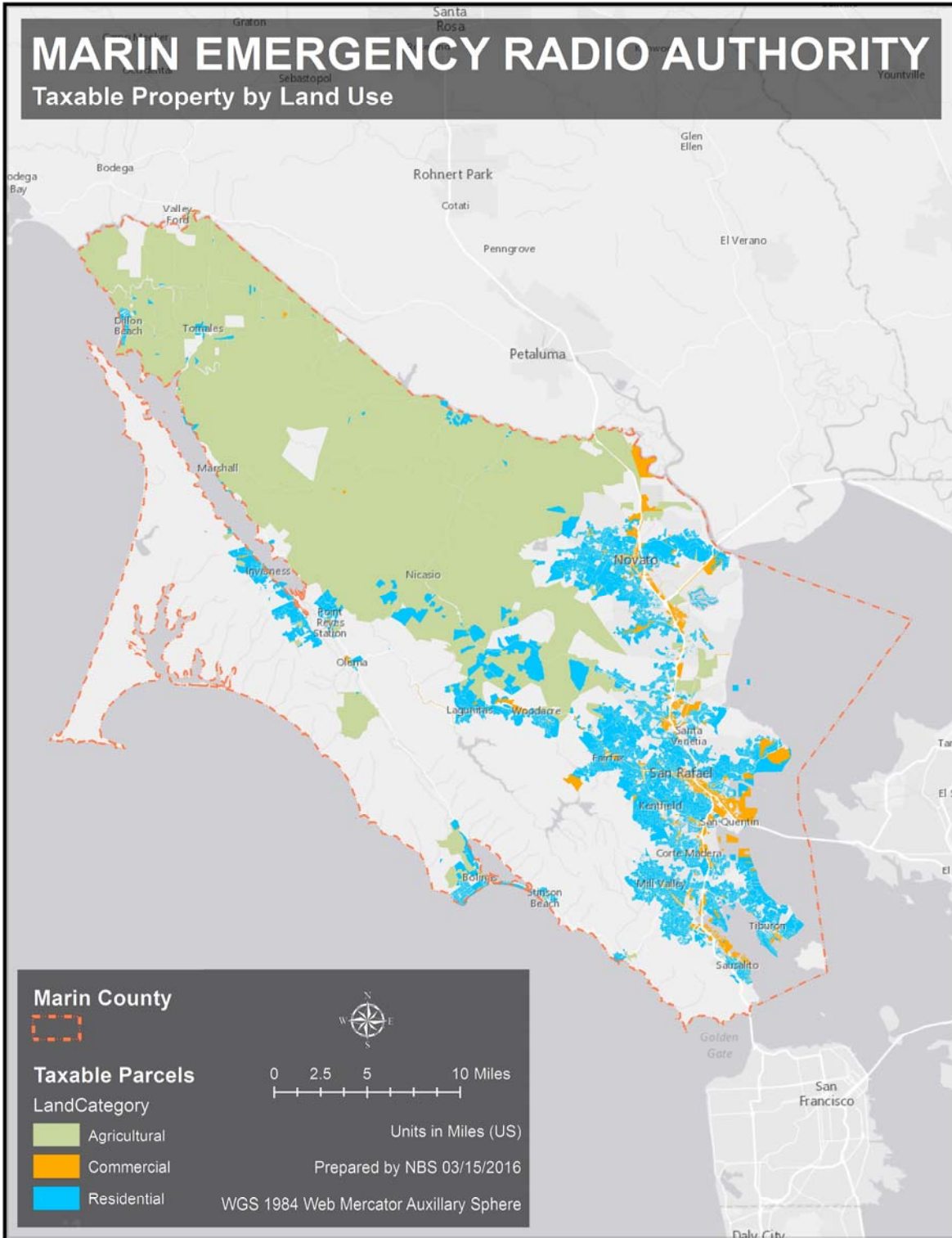
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**MARIN EMERGENCY RADIO AUTHORITY
TAXABLE PROPERTY BY AREA**



[\$33,000,000]*
MARIN EMERGENCY RADIO AUTHORITY
2016 SPECIAL PARCEL TAX REVENUE BONDS

INTRODUCTION

General

This Official Statement, including the cover page and all appendices hereto, provides certain information concerning the sale and delivery of the Marin Emergency Radio Authority (the “Authority”) 2016 Special Parcel Tax Revenue Bonds (the “Bonds”). Descriptions and summaries of various documents hereinafter set forth do not purport to be comprehensive or definitive, and reference is made to each document for complete details of all terms and conditions. All statements herein are qualified in their entirety by reference to each document. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS” hereto. This Introduction is subject in all respects to the more complete information contained in this Official Statement, and the offering of the Bonds to potential investors is made only by means of the entire Official Statement.

The Bonds are being issued pursuant to an Indenture of Trust, dated as of [May] 1, 2016 (the “Indenture”), by and between the Authority and U.S. Bank National Association (the “Trustee”), as trustee, and are authorized pursuant to Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title I of the California Government Code (the “Law”).

The Authority

The Authority is a joint exercise of powers agency created on February 28, 1998 pursuant to the California Government Code and a Joint Powers Agreement, by and among the County of Marin (the “County”) and 24 local agencies within the County (each, a “Member” and collectively, the “Members”). The Authority’s purpose is to plan, finance, implement, manage, own and operate a multi-jurisdictional and County-wide public safety and emergency radio system (the “System”). For more information regarding the Authority, see “THE AUTHORITY” herein. For demographic information on the County, see APPENDIX A – “DEMOGRAPHIC INFORMATION REGARDING THE COUNTY OF MARIN” attached hereto. For information on the System, see “THE SYSTEM, THE PROJECT AND THE PLAN OF FINANCE” herein.

Plan of Financing

The Authority owns and maintains the System. Proceeds of the Bonds will be used to provide funds to (i) finance capital improvements to the existing System owned and operated by the Authority, and (ii) pay costs of issuance of the Bonds. See “THE SYSTEM, THE PROJECT AND THE PLAN OF FINANCE” herein.

Security for the Bonds

The Bonds will be issued and secured pursuant to the terms of the Indenture. The Bonds are special obligations of the Authority payable solely from, and are secured by a first and prior lien on,

* Preliminary, subject to change.

Revenues of the Authority. “Revenues” generally consist of revenues from a special parcel tax (the “Parcel Tax,” and the revenues from such Parcel Tax herein being referred to as the “Parcel Tax Revenues”) levied and collected by the County on each taxable parcel of real property within the County. The Parcel Tax was authorized by Measure A approved by the voters of the County at the November 4, 2014 election (“Measure A”). See “SECURITY FOR THE BONDS” and “PARCEL TAX AND RELATED INFORMATION.”

Pursuant to a Financing Agreement, dated as of [May] 1, 2016 (the “Financing Agreement”), by and between the County and the Authority, the County will make payments from Parcel Tax Revenues (the “Parcel Tax Payments”) to the Trustee, as assignee of the Authority, on or about December 15, April 15, June 15 and July 31 of each year (each, a “Parcel Tax Payment Date”). Parcel Tax Payments received by the Trustee will be used to pay principal and interest on the Bonds as they become due, and any costs, expenses and fees payable by the Authority relating to the Bonds (“Additional Costs”). Additional bonds secured by the Revenues on a parity with or subordinate to the Bonds may be issued in the future. Parcel Tax Revenues received by the Trustee in excess of the amount needed to pay the debt service on the Bonds will be transferred to the Authority for any legal use thereof, including improving the System. See “SECURITY FOR THE BONDS – Security under the Indenture,” “– Financing Agreement” and “– Additional Indebtedness.”

The Authority has other obligations outstanding, which are secured by certain revenues received by the Authority from its Members (as further defined under “SECURITY FOR THE BONDS – Other Obligations of the Authority Not Secured by Parcel Tax” below, the “Service Payments”). The Revenues are not pledged to these obligations of the Authority, and the Service Payments are not available to pay debt service on the Bonds. See “SECURITY FOR THE BONDS – Other Obligations of the Authority Not Secured by Parcel Tax.”

Neither the faith and credit nor the taxing power of the State of California (the “State”) or any public agency thereof or the Authority or any Member of the Authority (including the County) is pledged to the payment of the Bonds, except for the Parcel Tax to be levied by the County and which are pledged to pay the Bonds. The Bonds do not constitute a debt, liability or obligation of the State or any public agency thereof (other than a special obligation of the Authority payable solely from the Revenues) or any Member of the Authority (including the County), and neither the directors or officers of the Authority nor any persons executing the Bonds are liable personally on the Bonds by reason of their issuance. The Authority has no taxing power.

There will be no reserve fund established in connection with the Bonds.

Redemption

The Bonds are subject to redemption prior to maturity and purchase in lieu of redemption as described herein. See “THE BONDS” herein.

Continuing Disclosure

The Authority will covenant in a Continuing Disclosure Agreement to provide certain financial information and notices of certain enumerated events. Such information and notices will be filed by the Trustee, as Dissemination Agent, with the Municipal Securities Rulemaking Board (the “MSRB”). The Authority will be solely responsible for any continuing disclosure to Bondholders. For more information concerning continuing disclosure, see “CONTINUING DISCLOSURE” and APPENDIX F – “FORM OF CONTINUING DISCLOSURE AGREEMENT” attached hereto.

The Authority and the County regularly prepare a variety of reports, including audits, budgets and related documents. Any interested person may obtain a copy of certain reports, as available, from the Authority and the County. Such information is not incorporated herein by reference.

THE AUTHORITY

General

The Authority is a joint exercise of powers authority duly organized and operating pursuant to Article 1 (commencing with Section 6500) of Chapter 5, Division 7, Title I of the California Government Code, and pursuant to the Joint Powers Agreement, dated February 28, 1998, as amended (the "JPA Agreement"), by and among the Members. The Authority is authorized to issue the Bonds under the Law. The Authority's purpose is to plan, finance, implement, manage, own and operate a multi-jurisdictional and County-wide public safety, public service and emergency radio system.

The Authority is governed by the Governing Board which exercises all powers and authority on behalf of the Authority. The Governing Board consists of one member of the governing body or the chief administrative officer or a designee of the Members which are party to the JPA Agreement. For a list of the current Governing Board members, see the first page of this Official Statement following the cover. A majority of the members of the Governing Board constitutes a quorum for the transaction of business. The Authority acts upon majority vote of those members in attendance, each member having one vote. The Governing Board elects, by majority vote from its members, a President and Vice President. The President represents the Authority and executes any contracts and other documents. The Vice President serves in the absence of the President.

The Governing Board has an Executive Board which is responsible to the Governing Board for the administration and management of Authority affairs and for the provision of assistance and advice to the Governing Board. The Executive Board may enter into contracts with other entities. The Executive Board is required to adhere to the budget adopted by the Governing Board. The Executive Board is comprised of nine voting members. The current voting members consist of representatives from the following: the County, the City of San Rafael, the City of Novato, Fire Services, Police Departments, the Ross Valley agencies, the Southern Marin cities and towns, the County Sheriff and Special Districts. No action shall be taken by the Executive Board except upon an affirmative vote of five voting members. All members of the Executive Board serve two-year terms and may be reappointed, except for the County Sheriff who serves as a voting member on an indefinite basis.

The Authority currently has an Executive Officer and an Operations Officer, who serve as consultants to the Authority. The Executive Officer and the Operations Officer are not employees of the Authority. As described below under "THE SYSTEM, THE PROJECT AND THE PLAN OF FINANCE," the Authority contracts with the County for the operation and maintenance of the System. Brief biographies of the Executive Officer and the Operations Officer follow:

Maureen Cassingham, Executive Officer. Ms. Cassingham has been the Executive Officer of the Authority since 2007, and has more than 35 years' experience working with local governments and public agencies.

Pat Echols, Operations Officer. Mr. Echols has worked for the County for eight years. He has extensive experience in public works and serves as Assistant Director of Public Works supervising the Communications Division.

The Authority's financial statements for the fiscal year ended June 30, 2015 are attached hereto as Appendix B.

THE SYSTEM, THE PROJECT AND THE PLAN OF FINANCE

The System

The System is comprised of certain real property, improvements and equipment constituting a public safety, emergency and public services wireless radio communications system, using frequencies in the 480 MHz UHF-T band, that replaced the systems previously used by the Members of the Authority. The System was designed to provide the Members with effective and reliable radio communications for routine intra-agency operations and inter-agency communications during mutual aid and disaster operations within the 606 square miles of the County.

The Authority contracts with the County of Marin Department of Public Works to provide operations oversight, technical support and system services to install, maintain and repair the existing System. Those services include programming, maintaining, supervising, repairing and adjusting its communications equipment. The existing contract is scheduled to expire on June 30, 2018, and the Authority anticipates renewing the contract for an additional three-year term through June 30, 2021.

The Authority also has an existing one-year contract with a Communications Engineer from the Department of Public Works assigned to the Authority and a one-year contract for the training of System users and oversight of technical consultants essential to the successful operation of the System. The existing contracts are scheduled to expire on June 30, 2016. The Authority anticipates renewing the contract with the Communications Engineer for an additional one-year term on June 30, 2016.

The System utilizes 34 frequency pairs in the 480 MHz, UHF-T Band designated by the Federal Communications Commission (the "FCC") for public safety and public service use by the Members. The Code of Federal Regulations (CFR), Title 47, Chapter 1, *et seq.* governs the use of radio spectrum by public agencies.

The System is comprised of a "backbone" of 14 base station radio and receiver sites, one microwave-only site and associated equipment; microwave equipment to link the base station repeaters and receivers; communications center console hardware and software; mobile and hand held user radio equipment; developed radio sites and other leased and owned facilities that support the backbone and associated computer hardware and software that is installed at these facilities and in public safety and public service vehicles. The System encompasses two separate simulcast zones and three repeater fill-in sites. The eastern simulcast zone consists of six transmit/receive sites and two receive only sites each with nine trunked radio channels, and provides radio coverage for the dense urban area along the corridor formed by U.S. Highway 101. The western simulcast zone consists of three sites, each with six trunked radio channels and provides radio coverage for the rural parts of the County along U.S. Highway 1. Fill-in radio coverage is provided by three additional sites, each with five trunked radio channels. All sites are linked by a digital microwave network. The System is designed to provide seamless radio coverage for users throughout substantially all of the County.

The System was purchased from and installed by Motorola, Inc. pursuant to an agreement executed on December 17, 1998 for a total purchase price of approximately \$21.4 million. Five additional radio frequencies were acquired and installed by Motorola in 2010 to accommodate an increase in the number of radio users above what was originally projected.

The Project and the Plan of Finance

The Authority funded the original acquisition and installation of the System in part through the issuance of the \$26,940,000 Marin Emergency Radio Authority 1999 Revenue Bonds (Marin Public Safety and Emergency Radio System) (the “1999 Bonds”). In January 2010, the Authority issued the \$18,575,000 Marin Emergency Radio Authority 2010 Refunding Revenue Bonds (Marin Public Safety and Emergency Radio System) (the “2010 Bonds”) for the purpose of refunding all of the outstanding 1999 Bonds. The 2010 Bonds are currently outstanding in the aggregate principal amount of \$[11,145,000], and are secured by certain revenues of the System generally consisting of certain payments by Members of the Authority (as further described under “SECURITY FOR THE BONDS – Other Obligations of the Authority Not Secured by Parcel Tax,” the “Service Payments”). The Revenues are not pledged to the 2010 Bonds, and the Service Payments are not available to pay debt service on the Bonds.

The System is aging and approaching obsolescence. The System is experiencing component malfunctions causing decreased system reliability, and replacement equipment is being phased out by the manufacturer. The System was originally designed to accommodate 1,580 mobile and portable radios with expansion capacity to 2,500 radios; today it serves approximately 2,900 radios, significantly above the projected total anticipated users.

The Authority has determined that a new replacement system (the “Next Gen System”) is necessary to ensure reliable public safety and emergency radio communications in the County. The Next Gen System is intended to provide the same functionality of the current System, with the following enhancements:

- Reduce 911 response times with an upgraded radio network, better technology, more capacity and fewer busy signals.
- Expand coverage to high priority areas of the County, including four additional radio sites in Southern and West Marin.
- Increase reliability during disasters.
- Move to the 700 MHz band allowing use of the Bay Area Mutual Aid radio system, as well as other mutual aid capabilities in the 700 & 800 MHz bands – which are especially needed in a large disaster situation when out-of-county reinforcements may be necessary.
- New radios with state-of-art technology will be provided to every first responder and all safety personnel as part of a one-to-one swap for the old radios.
- Incorporate technological advancements that have been developed since 1998 when the System was originally designed.

The Authority anticipates the cost of the Next Gen System to be approximately \$40 million. Approximately \$30 million will be funded through proceeds of the Bonds, and approximately \$10 million will be funded through a combination of Special Tax Revenues, additional parity bonds secured by Special Taxes, and other available moneys. Between 2008 and 2012, the Authority also received approximately \$6.2 million in grants, which the Authority applied to the preliminary costs of developing the Next Gen System. See “ESTIMATED SOURCES AND USES OF FUNDS” and “PARCEL TAX AND RELATED INFORMATION – Measure A.”

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds relating to the Bonds.

Sources:

Principal Amount of Bonds
Original Issue Premium / (Discount)
Total Sources

Uses:

Deposit to Project Fund
Underwriter's Discount.....
Costs of Issuance⁽¹⁾.....
Total Uses

⁽¹⁾ Includes legal costs, Trustee fees, fees of the Financial Advisor, printing costs, and certain other legal and financing.

THE BONDS

The Bonds will be dated the date of delivery and will be payable in the years and amounts and bear interest at the respective rates set forth on the cover page hereof, which interest will be payable on February 1 and August 1 of each year, commencing February 1, 2017 (each, an "Interest Payment Date"). The Bonds will be delivered only in fully registered form and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the Bonds. Ownership interests in the Bonds may be purchased in book-entry form only in denominations of \$5,000 or any integral multiple thereof. See "Book-Entry Only System" below and APPENDIX E – "INFORMATION CONCERNING DTC AND THE BOOK-ENTRY SYSTEM" attached hereto.

Book-Entry Only System

One fully-registered Bond will be issued for each maturity of the Bonds in the principal amount of the Bonds of such maturity. The Bonds will be registered in the name of Cede & Co. and will be deposited with DTC. The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bonds will be printed and delivered and will be governed by the provisions of the Indenture with respect to payment of principal and interest and rights of exchange and transfer.

There can be no assurance that DTC participants or others will distribute payments with respect to the Bonds received by DTC or its nominee as the registered Owner, or any prepayment or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or that DTC will service and act in the manner described in this Official Statement. See APPENDIX E – "INFORMATION CONCERNING DTC AND THE BOOK-ENTRY SYSTEM" hereto for additional information concerning DTC.

Optional Redemption

The Bonds maturing on or before August 1, 20__, will not be subject to optional redemption prior to their respective stated maturities. The Bonds maturing on or after August 1, 20__, will be subject to optional redemption on any date on or after August 1, 20__, in whole or in part, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest to the redemption date, without a premium.

Mandatory Sinking Fund Redemption*

The Bonds maturing August 1, 20__ will be subject to mandatory sinking fund redemption in part, by lot, commencing on August 1, 20__, from mandatory sinking fund payments set aside in the Revenue Fund, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium, in the aggregate respective principal amounts and on the dates set forth below:

Sinking Fund Redemption Date (<u>August 1</u>)	Principal Amount to be Redeemed
---	--

†

† Maturity

If some but not all of such Bonds have been optionally redeemed as described under “Optional Redemption,” the total amount of all future sinking fund payments will

Purchase in Lieu of Redemption

In lieu, or partially in lieu, of such call and redemption, moneys of the Authority may be used to purchase Outstanding Bonds in the manner provided in the Indenture. Purchases of Outstanding Bonds may be made by the Authority prior to the selection of Bonds for redemption by the Trustee, at public or private sale as and when and at such prices as the Authority may in its discretion determine but only at prices (including brokerage or other expenses) of not more than par plus applicable accrued interest and redemption premiums, and any accrued interest payable upon the purchase of Bonds may be paid from the amount in the Revenue Fund for payment of interest on the following Interest Payment Date.

Selection of Bonds for Redemption

Whenever provision is made in the Indenture for the redemption of less than all of the Bonds of the same maturity, the Trustee will select the Bonds of such maturity to be redeemed from all Bonds of such maturity not previously called for redemption, by lot in any manner which the Trustee in its sole discretion deems appropriate. 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 which may be separately redeemed.

* Preliminary, subject to change.

Notice of Redemption

Pursuant to the Indenture, the Trustee is required to give notice (the “Redemption Notice”), at the expense of the Authority, of the redemption of the Bonds. Such Redemption Notice will specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed; (b) the date of redemption; (c) the place or places where the redemption will be made, including the name and address of any paying agent; (d) the redemption price; (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed; (f) if less than all the Bonds of a maturity are to be redeemed, the certificate numbers of the Bonds to be redeemed and, in the case of any Bond to be redeemed in part only, the amount of such Bond to be redeemed; and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. The Redemption Notice must also state that on the specified date there will become due and payable upon each Bond or portion thereof being redeemed the redemption price, together with interest accrued to the redemption date, and that from and after such date interest with respect to the Bond to be redeemed will cease to accrue and be payable. A Redemption Notice in respect of optional redemption will not be provided unless there has been deposited with the Trustee funds sufficient to pay such redemption price (except in the case of redemption resulting from the issuance of refunding obligations).

At least 30, but not more than 45, days prior to the redemption date, the Trustee will cause Redemption Notices to be given to the respective Owners of Bonds designated for redemption by first class mail, postage redeemed, at their addresses appearing on the Bond Register maintained by the Trustee. Neither failure to receive any Redemption Notice nor any defect in such Redemption Notice so given will affect the sufficiency of the proceedings for the redemption of such Bonds.

The Authority has the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption will be canceled and annulled if for any reason funds will not be or are not available on the date fixed for prepayment for the payment in full of the Bonds then called for redemption, and such cancellation will not constitute an Event of Default under the Indenture. The Authority and the Trustee have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee will mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent.

Effect of Notice of Redemption

Notice having been mailed as described above, and moneys for the redemption (including the interest to the applicable date fixed for redemption and including any applicable premium), having been set aside in the Redemption Account established under the Indenture, the Bonds will become due and payable on said date, and, upon presentation and surrender thereof at the Office of the Trustee, said Bonds will be paid at the Redemption Price thereof, together with interest accrued and unpaid to said date.

If, on said date fixed for redemption, moneys for the redemption of all the Bonds to be redeemed, together with interest to said date, is held by the Trustee so as to be available therefor on such date, and, if notice of redemption thereof has been mailed as described above and not canceled, then, from and after said date, interest on said Bonds 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.

All Bonds paid at maturity or redeemed prior to maturity as described herein will be canceled upon surrender thereof and delivered to the Authority.

DEBT SERVICE SCHEDULE

The following table shows the annual debt service requirements for the Bonds.

Period Ending	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>August 1,</u>			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
Total			

SECURITY FOR THE BONDS

Security under the Indenture

The Indenture provides that, subject only to certain specified exceptions, all of the Revenues received by the Authority and any other amounts (including proceeds of the sale of the Bonds) held in any fund or account established pursuant to the Indenture are pledged by the Authority to secure the payments of the principal of and interest on the Bonds. “Revenues” are defined under the Indenture as, during any fiscal period, the sum of the following amounts: (1) all amounts payable by the County pursuant to the Financing Agreement, (2) all Parcel Tax Revenues pledged to the Authority and the Trustee by the County pursuant to the Financing Agreement, including the pledge of and security interest in such Parcel Tax Revenues granted to the Authority and the Trustee, and (3) all investment earnings on amounts held by the Trustee in the funds and account under the Indenture other than amounts deposited to the Rebate Fund. The Indenture states that this pledge constitutes a first lien on and security interest in such assets and that it will attach, be perfected and be valid and binding from and after delivery of the Bonds by the Trustee, upon the physical delivery thereof.

The Authority transfers in trust and assigns to the Trustee, for the benefit of the Owners from time to time of the Bonds, all of the Revenues. The Trustee is entitled to and will collect and receive all of the Revenues, and any Revenues collected or received by the Authority will be deemed to be held, and to have been collected or received, by the Authority and will forthwith be paid by the Authority to the Trustee. The Trustee is also entitled to and may take all steps, actions and proceedings reasonably necessary in its judgment, to enforce, either jointly with the Authority or separately, all of the rights of the Authority with respect to the Financing Agreement, including, but not limited to, the obligation of the County to pay the Parcel Tax Payments and to perform all other covenants under the Financing Agreement.

To the extent the Trustee has not received a Parcel Tax Payment from the County on the applicable Parcel Tax Payment Date, the Trustee will notify the Authority of the amount of such deficiency. Upon receipt from the Authority of such deficiency, the Trustee will deposit such amounts in a special fund established under the Indenture and designated as the "Revenue Fund."

All Revenues are required to be promptly deposited into the Revenue Fund by the Trustee upon receipt thereof. The Trustee is required to transfer from the Revenue Fund and deposit into the following respective accounts (each of which the Trustee is required to establish and maintain in trust), the following amounts at the following times in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) On each Parcel Tax Payment Date, commencing on or about December 15, 2016, or redemption date, the Trustee will deposit in the Interest Account an amount which, together with the amounts then on deposit therein, is required to cause the aggregate amount on deposit in the Interest Account to equal the amount then required to make any payment of interest on the Bonds. The Trustee will also deposit in the Interest Account any other moneys received by it from the Authority and designated in writing by the Authority for deposit in the Interest Account.

(b) On or about April 15 of each year, commencing on or about April 15, 2019, the Trustee will deposit in the Principal Account an amount which, together with the amounts then on deposit therein, is required to cause the aggregate amount on deposit in the Principal Account to equal the aggregate amount of principal then coming due and payable on the Bonds. On or about June 15 of each year, commencing on or about June 15, 2019, the Trustee will deposit in the Principal Account an amount which, together with the amounts then on deposit therein, is required to cause the aggregate amount on deposit in the Principal Account to equal the aggregate amount of principal then coming due and payable on the Bonds. On or about July 31 of each year, commencing on or about July 31, 2019, the Trustee will deposit in the Principal Account an amount which, together with the amounts then on deposit therein, is required to cause the aggregate amount on deposit in the Principal Account to equal the aggregate amount of principal then coming due and payable on the Bonds.

Following the foregoing transfers on each Parcel Tax Payment Date, the Trustee will deposit all remaining amounts into a Surplus Account established under the Indenture. Amounts in the Surplus Account may be used by the Authority to pay or reimburse the payment of the reasonable costs and expenses incurred by the Authority to administer the Bonds (including reasonable fees and expenses of the Trustee) and for any other legal use thereof, including improvements to the System.

Financing Agreement

Revenues of the Authority pledged under the Indenture consist primarily of the Parcel Tax Revenues levied and collected by the County on each taxable parcel of real property within the County pursuant to Measure A. Pursuant to the Financing Agreement, the County will make Parcel Tax Payments to the Trustee from Parcel Tax Revenues. Such Parcel Tax Payments will be in such amounts as will be sufficient to pay principal and interest on the Bonds as they become due, and any Additional Costs.

To secure the prompt and complete payment of the Parcel Tax Payments when due and the principal of and interest on the Bonds and the performance by the County of all of its covenants and obligations under the Financing Agreement, the County will pledge to the Authority and the Trustee (and

their successors and assigns) for the benefit of the Bondholders and grants a security interest in all of the right and title to and interest in all Parcel Tax Revenues collected by the County. **The County does not pledge its full faith and credit to the payment of Parcel Tax Payments.**

In order to provide for the payment of the principal of and interest on the Bonds and all Additional Costs when due, the County will transfer to the Trustee on each Parcel Tax Payment Date for deposit into the Revenue Fund all of the Parcel Tax Revenues. See “PARCEL TAX AND RELATED INFORMATION” for additional information on the collection and transfer of Parcel Tax Revenues.

Additional Indebtedness

Generally, the Authority may issue additional bonds secured by Revenues on a parity with the Bonds (the “Parity Bonds”), subject to the following conditions:

- (a) The Financing Agreement will be amended or supplemented as permitted therein in order to provide funds for the payment of the principal of, redemption premium, if any and interest on the Parity Bonds, as well as any costs of the Authority relating to the Parity Bonds;
- (b) No Event of Default under the Indenture has occurred and then be continuing;
- (c) Revenues, calculated pursuant to generally accepted accounting principles, as shown by the audited financial statements of the Authority for the most recent Fiscal Year, amounts to at least 1.05 times the maximum annual debt service on the Outstanding Bonds, the Parity Bonds, and on all other Outstanding Parity Bonds coming due and payable in the most recent Fiscal Year;
- (d) Interest on such Parity Bonds will be payable on February 1 and August 1 in each year of the term of such Parity Bonds, and the principal of such Parity Bonds will be payable on August 1 in any year, as determined by the Authority, in which principal is payable;
- (e) An opinion of Bond Counsel delivered to the Trustee that the delivery of the Parity Bonds has been duly authorized by the Authority in accordance with the Indenture; that the Parity Bonds will be legally valid and binding limited obligations of the Authority; and that the issuance of such Parity Bonds will not in and of itself impair the exclusion for federal income tax purposes of interest on any Outstanding Bonds; and
- (f) The Authority will deliver to the Trustee a certificate of the Authority certifying that the conditions precedent to the issuance of such Parity Bonds set forth herein have been satisfied.

The Authority may also issue obligations payable from Revenues on a subordinate basis (the “Subordinate Bonds”) to payment of Debt Service on the Bonds, provided the Authority complies with paragraphs (a), (b), (d), (e) and (f) above. See APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS – _____.”

The Authority has additional long-term debt not secured by Revenues. The Authority may issue additional debt not secured by Revenues in the future. See “Other Obligations of the Authority Not Secured by Parcel Tax” below.

Other Obligations of the Authority Not Secured by Parcel Tax

2010 Bonds. In January 2010, the Authority issued the \$18,575,000 Marin Emergency Radio Authority 2010 Refunding Revenue Bonds (Marin Public Safety and Emergency Radio System) (the “2010 Bonds”), currently outstanding in the aggregate principal amount of \$[11,145,000]. The Authority used the proceeds of the 2010 Bonds to refund all of the outstanding \$26,940,000 Marin Emergency Radio Authority 1999 Revenue Bonds (Marin Public Safety and Emergency Radio System) (the “1999 Bonds”), which 1999 Bonds funded the costs of acquisition and construction of the System.

The 2010 Bonds are generally secured by service payments (the “Service Payments”) received by the Authority from certain of its Members (the “Participants”) and certain other amounts received by the Authority pursuant to an operating agreement (the “Operating Agreement”) among the Authority and the Participants (all such revenues are hereinafter collectively referred to as the “Service Payment Revenues”). As consideration for the emergency radio service to be provided by the Authority (the “Radio Service”), each of the Participants covenants under the Operating Agreement to pay Service Payment Revenues in amounts required by the Authority for the payment of all costs and expenses incurred by the Authority in connection with providing the Radio Service.

The 2010 Bonds are further secured by a reserve fund (the “2010 Reserve Fund”), all funds deposited in which are required to be used solely for the purpose of making the payments of principal and interest on the 2010 Bonds in the event that amounts on deposit in the revenue fund related to the 2010 Bonds are insufficient for such purposes. The Authority may issue additional bonds secured by Service Payment Revenues on a parity with or subordinate to the 2010 Bonds under certain conditions. For additional information on the 2010 Bonds, see APPENDIX C – “AUDITED FINANCIAL STATEMENT ENDED JUNE 30, 2015 OF THE AUTHORITY – Note (4)” attached hereto.

Notes. On February 1, 2007, the Authority borrowed \$2,250,000 from Citizens Business Bank, evidenced by a note payable over 14.5 years at an interest rate of 4.43% per annum (the “Note”). The Note is currently outstanding in the aggregate principal amount of \$[1,077,845]. Debt service payments on the Note are [not secured by the Service Payment Revenues and are] funded by certain operating payments from the Members. For additional information on the Note, see APPENDIX C – “AUDITED FINANCIAL STATEMENT ENDED JUNE 30, 2015 OF THE AUTHORITY – Note (5)” attached hereto.

The Bonds will not be secured by the Service Payment Revenues or the 2010 Reserve Fund, and the 2010 Bonds and the Note will not be secured by the Revenues.

PARCEL TAX AND RELATED INFORMATION

Measure A

On July 22, 2014, the Marin County Board of Supervisors (the “Board of Supervisors”) passed a resolution proposing that the Parcel Tax be included on the ballot for the November 4, 2014 general election, for the purpose of replacing Marin County’s aging emergency communications system; reducing 911 response times; improving communications reliability during earthquakes, floods, fires, and other disasters; and ensuring reliable communications among police, fire, and paramedic first responders throughout Marin County. The ballot measure, Measure A, asked voters to decide whether the Board of Supervisors should adopt an ordinance authorizing an annual parcel tax for 20 years based on land use, including \$29 per single-family home, with public audits, expenditure reports, citizen oversight and low-income senior exemptions. On November 4, 2014, 67.14% of the voters approved Measure A.

Under Measure A, the term “parcel” means a parcel of real property having a separate assessor’s parcel number as shown on the last equalized assessment roll of the County. The maximum amount of the Parcel Tax for each fiscal year is as follows:

<u>Land Use Category</u>	<u>Maximum Amount of Tax</u>
Single Family Residential	\$29.00 per parcel
Multifamily Residential	\$26.10 per unit
Agricultural	
5 acres or less	\$29.00 per parcel
Greater than 5 acres	\$58.00 per parcel
Commercial, Industrial and Utility	
½ acre or less	\$87.00 per parcel
Greater than ½ acre, up to and including 1 acre	\$174.00 per parcel
Greater than 1 acre	\$174.00 per parcel plus \$29.00 per acre for each acre or portion of acre above 1 acre, not to exceed \$2,500 per parcel

The Parcel Tax is not imposed upon any parcel that is exempt from the Parcel Tax pursuant to any provision of the United States Constitution, the California Constitution, State law, or any paramount law, or upon any parcel for which the owner qualifies for an exemption for low-income persons 65 years of age or older. The Board of Supervisors may adopt a resolution providing additional exemptions to the Parcel Tax.

The records of the County Assessor as of July 1st of each year will provide the basis for determining the use and improvement of each parcel for the calculation of the Parcel Tax applicable to that parcel in the following fiscal year, with such corrections as deemed necessary to reflect the actual use and improvement of any parcel. The Parcel Tax will end at midnight on June 30, 2035.

Parcel Tax Revenues will be deposited into a special fund to be maintained by the County, and, pursuant to the provisions of the Financing Agreement, will be remitted to the Trustee until all of the Bonds are fully repaid in accordance with the Indenture. The chief fiscal officer of the County will annually file with the Board of Supervisors a report regarding the amount of Parcel Tax Revenues collected and expended and the status of any project authorized to be funded with the Parcel Tax Revenues, as required by California Government Code Section 50075.3, as amended from time to time. The Authority will provide all Parcel Tax revenue and expenditure information to the chief fiscal officer of the County, as required by the Financing Agreement.

The following table provides a five-year history of the number of taxable parcels located within the County:

**COUNTY OF MARIN
PARCEL COUNT BY FISCAL YEAR⁽¹⁾**

<u>Category</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>
Single Family Residential					
Multifamily Residential					
Agricultural					
5 acres or less					
Greater than 5 acres					
Commercial, Industrial and Utility					
½ acre or less					
Greater than ½ acre, up to and including 1 acre					
Greater than 1 acre					

⁽¹⁾ Does not include exempt parcels.
Source: _____

Parcel Tax Levy and Collection

The Parcel Tax is collected on the County’s property tax bill sent to owners of taxable property in the same manner, on the same dates, and are subject to the same penalties and interest as other charges and taxes fixed and collected by the County. The Parcel Tax is levied on property in addition to the 1% ad valorem property taxes and other amounts levied pursuant to the County’s property tax bill. The County sends out property tax bills in late September or early October of each year. The first installment of property taxes is due on November 1 of each year and is delinquent after 5:00 p.m. on the following December 10. The second installment of the property tax is due on February 1 of each year and is delinquent after 5:00 p.m. on the following April 10. A 10% penalty attaches to delinquent payments.

The levy and collection of the Parcel Tax began in Fiscal Year 2015-16. In Fiscal Year 2015-16, the County levied an aggregate amount of the Parcel Tax of approximately \$3,542,000. As of March 10, 2016, the County has collected and deposited into a designated fund for the Authority \$1,975,606.38 in Parcel Tax Revenues for Fiscal Year 2015-16. Parcel Tax Revenues for the remainder of Fiscal Year 2015-16 are expected to be received through July 31, 2016.

The Parcel Tax, together with all penalties and interest thereon, will constitute a lien upon the parcel upon which it is levied until it has been paid. The Parcel Tax, together with all penalties and interest thereon, will constitute until paid, to the extent authorized by law, a personal obligation to the County by the persons who own the parcel on the date the tax is due. [In general, if an owner of taxable property does not pay its property tax bill in full by certain final delinquency dates then the County will initiate foreclosure proceedings on the property in order to generate sales proceeds to pay delinquent taxes.]

Delinquencies and The Teeter Plan

A summary of full cash value, general fund property tax levies, general property tax collections and delinquencies for each year since fiscal year 2010-11 are shown in the following table.

**COUNTY OF MARIN
PROPERTY VALUE AND TAX COLLECTIONS
FOR FISCAL YEARS 2010-11 THROUGH 2014-15**

Fiscal Year	Full Cash Value	General Fund Property Tax Levies	General Property Tax Collections	Delinquencies	Delinquency Percentage
2010-11					
2011-12					
2012-13					
2013-14					
2014-15					

Source: County of Marin, Auditor-Controller's Office.

The County distributes Parcel Tax Revenues in accordance with the Teeter Plan. The Teeter Plan provides for a tax distribution procedure in which secured roll taxes are distributed to taxing agencies within the County included in the Teeter Plan on the basis of the tax levy, rather than on the basis of actual tax collections.

Once adopted by the County, the Teeter Plan remains in effect unless the County orders its discontinuance or prior to the commencement of any subsequent fiscal year the County receives a petition for its discontinuance adopted by resolution of two-thirds of the participating revenue districts in the County. Further, the County may, by resolution adopted not later than July 15 of any subsequent fiscal year after a public hearing, discontinue the Teeter Plan as to any tax levying or assessment levying agency if the rate of the secured tax delinquency in that agency in any year exceeds three percent of the total of all taxes and assessments levied on the secured rolls for that agency.

In order to finance the outstanding tax receivables at the end of any given year, the County General Fund enters into an agreement with the County Treasurer to internally finance the outstanding tax receivables with the overall funds within the County treasury. This is evidenced by a signed note. Repayment to the Treasurer's pool is accomplished upon receipt of the proceeds of Tax and Revenue Anticipation Certificates generally issued in the beginning of the following fiscal year.

INVESTMENT CONSIDERATIONS

The following section describes certain risk factors affecting the payment of and security for the Bonds. The following discussion of risks is not meant to be an exhaustive list of the risks associated with the purchase of the Bonds and does not necessarily reflect the relative importance of the various issues. Potential investors are advised to consider the following factors, along with all other information in this Official Statement, in evaluating the Bonds. There can be no assurance that other risk factors will not become material in the future.

General

The payment of principal of and interest on the Bonds is secured solely by a pledge of the Revenues and certain funds under the Indenture. Revenues consist primarily of Parcel Tax Revenues. No assurance can be made that the County will be able to collect Parcel Tax Revenues in an amount sufficient to pay the debt service on the Bonds. See "SECURITY FOR THE BONDS." Further, there can be no assurance that the voters of the County will not, by initiative, reduce or attempt to reduce the annual

levy of the Parcel Tax below the amount required to pay debt service on the Bonds. See “Proposition 218” below. There will be no reserve fund established in connection with the Bonds.

Limitations on Remedies and Bankruptcy

The rights and remedies provided in the Indenture and the Financing Agreement may be limited by and are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors’ rights, to the application of equitable principles if equitable remedies are sought, and to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of California. The various opinions of counsel to be delivered with respect to such documents, including the opinion of Bond Counsel (the form of which is attached as APPENDIX D), will be similarly qualified.

The enforcement of the remedies provided in the Financing Agreement and the Indenture could prove both expensive and time consuming. In the event of a default, the Trustee is not empowered to sell the Project in order to pay debt service on the Bonds. In addition, the rights and remedies provided in the Financing Agreement and Indenture may be limited by and are subject to provisions of the federal bankruptcy laws, as now or hereafter enacted, and to other laws or equitable principles that may affect creditors’ rights. If the County were to file a petition under Chapter 9 of the Bankruptcy Code (Title 11, United States Code), the Bondholders and the Trustee could be prohibited or severely restricted from taking any steps to enforce their rights under the Financing Agreement and from taking any steps to collect amounts due from the County under the Financing Agreement. If the Authority were to file a petition under Chapter 9 of the Bankruptcy Code (Title 11, United States Code), the Bondholders and the Trustee could be prohibited or severely restricted from taking any steps to enforce their rights under the Indenture and from taking any steps to collect amounts due from the Authority under the Indenture.

Neither the faith and credit nor the taxing power of the State of California or any public agency thereof or the Authority or any Member of the Authority (including the County) is pledged to the payment of the Bonds. The Bonds do not constitute a debt, liability or obligation of the State of California or any public agency thereof (other than the Authority payable solely from the Revenues) or any Member of the Authority (including the County), and neither the directors of the Authority nor any persons executing the Bonds are liable personally on the Bonds by reason of their issuance. The Authority has no taxing power.

Proposition 218

On November 5, 1996, the voters of the State approved Proposition 218, known as the “Right to Vote on Taxes Act.” Proposition 218 adds Articles XIII C and XIII D to the California Constitution and contains a number of interrelated provisions affecting the ability of local agencies to levy and collect both existing and future taxes, assessments, 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.

Proposition 218 (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 County require a majority vote and taxes for specific purposes, even if deposited in the County’s General Fund, require a two-thirds vote. Further, any general purpose tax which the County imposed, extended or increased without voter approval after December 31, 1994 may continue to be imposed only if approved by a majority vote in an election which must be held within two years of November 5, 1996.

Proposition 218 (Article XIII C) also removes limitations on the initiative power in matters of reducing or repealing local taxes, assessments, fees or charges. The Authority believes that the Parcel

Taxes are in compliance with Proposition 218; however, the voters of the County could approve an initiative or initiatives which will reduce or repeal local taxes, assessments, fees or charges including the Parcel Tax securing the Bonds.

Earthquakes, Floods and Other Natural Disasters

The County is located in a seismically active region. A major earthquake, flood or any other natural calamity may cause significant temporary and possibly long-term harm to the County's economy, tax receipts (including receipt of Parcel Tax Revenues), and residential and business real property values.

LEGAL MATTERS

The legality and enforceability of the Bonds are subject to the approval of Nossaman LLP, Irvine, California, acting as Bond Counsel. The form of such legal opinion is attached hereto as APPENDIX D. Certain legal matters will be passed upon for the Authority by Hawkins Delafield & Wood LLP, San Francisco, California, Disclosure Counsel to the Authority. Certain legal matters will be passed upon by Richards, Watson & Gershon, San Francisco, California, general counsel to the Authority.

LITIGATION

The Authority will certify to the effect that, other than as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best knowledge of the Authority, threatened (i) in any way questioning the existence of the Authority or the titles of the officers of the Authority to their respective offices; (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Bonds or the related legal documents or the consummation of the transactions contemplated thereby, or contesting the exclusion of the interest on the Bonds from taxation or contesting the powers of the Authority to assign and pledge the Parcel Tax Payments; (iii) which may result in any material adverse change relating to the Authority; or (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

TAX MATTERS

General

[To be updated by Bond Counsel.] In the opinion of Nossaman LLP, Bond Counsel, based on existing statutes, regulations, rulings and court decisions, interest on the Bonds received by the Owners of the Bonds (the "Interest Portion") is excludable from gross income for federal income tax purposes. In the further opinion of Bond Counsel, the Interest Portion is exempt from State of California personal income taxes. A copy of the proposed opinion of Bond Counsel is set forth in APPENDIX D hereto.

The Internal Revenue Code of 1986 (the "Code"), imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The Authority has covenanted to comply with certain restrictions designed to assure that the Interest Portion will not be includable in federal gross income. Failure to comply with

these covenants may result in the Interest Portion being included in federal gross income, possibly from the date of execution and delivery of the Bonds. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of execution and delivery of the Bonds may affect the value of, or the tax status of the Interest Portion. Further, no assurance can be given that pending or future legislation or amendments to the Code, will not adversely affect the value of, or the tax status of the Interest Portion of, the Bonds. Prospective owners are urged to consult their own tax advisors with respect to proposals to restructure the federal income tax.

Bond Counsel is further of the opinion that the Interest Portion is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes. Bond Counsel observes, however, that the Interest Portion is included in adjusted current earnings in calculating corporate alternative minimum taxable income.

Prospective purchasers of the Bonds should be aware that (i) with respect to insurance companies subject to the tax imposed by Section 831 of the Code, Section 832(b)(5)(B)(i) reduces the deduction for loss reserves by 15 percent of the sum of certain items, including interest with respect to obligations such as that represented by the Bonds, (ii) interest with respect to obligations such as those represented by the Bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the Code, (iii) passive investment income, including interest with respect to obligations such as those represented by the Bonds, may be subject to federal income taxation under Section 1375 of the Code for subchapter S corporations having subchapter C earnings and profits at the close of the taxable year and gross receipts more than 25% of which constitute passive investment income, and (iv) Section 86 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take into account, in determining gross income, receipts or accruals of interest on obligations such as those represented by the Bonds.

If the initial offering price to the public (excluding bond houses and brokers) at which a Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes “original issue discount” for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public (excluding bond houses and brokers) at which a Bond is sold is greater than the amount payable at maturity thereof, then the excess of the tax basis of a purchaser of such Bond (other than a purchaser who holds such Bond as inventory, stock in trade or for sale to customers in the ordinary course of business) over the principal amount of such Bond constitutes “original issue premium” for purposes of federal income taxes and State of California personal income taxes. *De minimis* original issue discount is disregarded.

Under the Code, original issue discount is excludable from gross income for federal income tax purposes to the same extent as the Interest Portion on the Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each such Bond and the basis of such Bond acquired at such initial offering price by an initial purchaser of each such Bond will be increased by the amount of such accrued discount. The Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of such Bonds who purchase such Bonds after the initial offering of a substantial amount thereof. Owners who do not purchase such Bonds in the initial offering at the initial offering prices should consult their own tax advisors with respect to the tax consequences of ownership of such Bonds. All holders of such Bonds should consult their own tax advisors with respect to the allowance of a deduction for any loss on a sale or other disposition to the extent that calculation of such loss is based on accrued original issue discount.

Under the Code, original issue premium is amortized for federal income tax purposes over the term of such a Bond based on the purchaser’s yield to maturity in such Bonds, except that in the case of

such a Bond callable prior to its stated maturity, the amortization period and the yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such Bond. A purchaser of such a Bond is required to decrease his or her adjusted basis in such Bond by the amount of bond premium attributable to each taxable year in which such purchaser holds such Bond. The amount of bond premium attributable to a taxable year is not deductible for federal income tax purposes. Purchasers of such Bonds should consult their tax advisors with respect to the precise determination for federal income tax purposes of the amount of bond premium attributable to each taxable year and the effect of bond premium on the sale or other disposition of such a Bond, and with respect to the state and local tax consequences of owning and disposing of such a Bond.

Certain agreements, requirements and procedures contained or referred to in the Indenture and other relevant documents may be changed and certain actions may be taken or omitted under the circumstances and subject to the terms and conditions set forth in those documents, upon the advice or with the approving opinion of nationally recognized bond counsel. Bond Counsel expresses no opinion as to any Bond or the interest payable with respect thereto if any change occurs or action is taken or omitted upon the advice or approval of counsel other than Bond Counsel.

Although Bond Counsel has rendered an opinion that the Interest Portion is excludable from federal gross income, and that the Interest Portion is exempt from State of California personal income taxes, the ownership or disposition of the Bonds, and the accrual or receipt of the Interest Portion may otherwise affect an Owner's state or federal tax liability. The nature and extent of these other tax consequences will depend upon each Owner's particular tax status and the Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Future rulings, court decisions, legislative proposals, if enacted into law, or clarification of the Code may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation, or otherwise prevent Owners from realizing the full current benefit of the tax status of such interest. There can be no assurance that future rulings, court decisions, legislative proposals, if enacted into law, or clarification of the Code enacted or proposed after the date of issuance of the Bonds will not have an adverse effect on the tax exempt status or market price of the Bonds.

Internal Revenue Service Audit of Tax-Exempt Issues

The Internal Revenue Service ("IRS") has initiated an expanded program for the auditing of tax-exempt issues, including both random and targeted audits. It is possible that the Bonds will be selected for audit by the IRS. It is also possible that the market value of the Bonds might be affected as a result of such an audit of the Bonds (or by an audit of similar obligations).

Information Reporting and Backup Withholding

Information reporting requirements will apply to interest (including original issue discount) paid after March 31, 2007 on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or unless the recipient is one of a limited class of exempt recipients, including corporations. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest with respect to the Bonds from gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's Federal income tax once the required information is furnished to the Internal Revenue Service.

FINANCIAL ADVISOR

The Authority has retained Sperry Capital Inc., Sausalito, California, as financial advisor (the "Financial Advisor") in connection with the issuance of the Bonds and certain other financial matters. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification of the accuracy, completeness or fairness of the information contained in this Official Statement. The Financial Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other negotiable instruments.

FINANCIAL STATEMENT

The basic financial statement of the Authority included as APPENDIX C to this Official Statement, have been audited by Maher Accountancy, independent certified public accountants. Maher Accountancy has not been requested to provide written consent to the inclusion of its report as APPENDIX B and has not undertaken to update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement. The audited financial statements, including the footnotes thereto, should be reviewed in their entirety.

CONTINUING DISCLOSURE

The Authority has covenanted in a Continuing Disclosure Agreement for the benefit of the holders and beneficial owners of the Bonds to provide certain financial information and operating data pertaining to the Authority and certain Participants by not later than March 31 following the end of the fiscal year (currently its fiscal year ends on June 30) (the "Annual Report"), commencing with the fiscal year ending June 30, 2016, and to provide notices of the occurrence of certain enumerated events. The Authority has agreed under the Continuing Disclosure Agreement to file the County's audited financial statement with the MSRB when available.

The Annual Report and the notices of enumerated events will be filed by the [Trustee] as Dissemination Agent with the MSRB. The specific nature of the information to be contained in the Annual Reports and the notice of material events is set forth in APPENDIX F – "FORM OF CONTINUING DISCLOSURE AGREEMENT" hereto. These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934.

The Authority and the County regularly prepare a variety of reports, including audits, budgets and related documents. Any interested person may obtain a copy of such reports, as available, from the Authority or the County. *[Past compliance to be reviewed.]*

RATING

Standard & Poor's Ratings Services ("S&P") and Fitch Ratings ("Fitch") have assigned municipal bond ratings of "___" and "___," respectively, to the Bonds. The ratings reflect only the views of each rating agency, and any explanation of the significance of any rating may be obtained only from the respective credit rating agencies: S&P, at www.sandp.com, and Fitch, at www.fitchratings.com. The information presented on the website of each rating agency is not incorporated by reference as part of this Official Statement. Investors are advised to read the entire Official Statement to obtain information essential to the making of an informed investment decision. No assurance can be given that any rating issued by a rating agency will be retained for any given period of time or that the same will not be revised or withdrawn entirely by such rating agency, if in its judgment circumstances so warrant. Any such revision or withdrawal of the ratings obtained may have an adverse effect on the market price or marketability of the Bonds. The Authority undertakes no responsibility to oppose any such downward revision, suspension or withdrawal.

SALE OF THE BONDS

The Bonds are scheduled to be sold at competitive bid on _____, 2016, as provided in the Official Notice of Sale, dated _____, 2016 (the "Official Notice of Sale"). The Official Notice of Sale provides that all Bonds would be purchased if any were purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in the Official Notice of Sale, the approval of certain legal matters by Bond Counsel and certain other conditions. The Purchaser will represent to the Authority that the Bonds have been reoffered to the public at the price or yield to be stated on the cover page hereof.

MISCELLANEOUS

Insofar as any statements made in this Official Statement involve matters of opinion or of estimates, whether or not expressly stated, they are set forth as such and not as representations of fact. No representation is made that any of such statements made will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the Owners of the Bonds.

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

MARIN EMERGENCY RADIO AUTHORITY

Maureen Cassingham
Executive Officer