PRELIMINARY OFFICIAL STATEMENT DATED _____, 2017

NEW ISSUE – BOOK-ENTRY-ONLY **RATINGS: See "RATINGS" herein.**

In the opinion of Gust Rosenfeld P.L.C., Phoenix, Arizona, Bond Counsel, interest income on the Series 2017 Obligations is exempt from Arizona income taxes. See "TAXABLE OBLIGATIONS TAX MATTERS," "OTHER TAX MATTERS," "TAXABLE OBLIGATIONS PURCHASED AT A PREMIUM" and "ORIGINAL ISSUE DISCOUNT" herein.

$10,000,000*
CITY OF GOODYEAR, ARIZONA PUBLIC IMPROVEMENT CORPORATION
SUBORDINATE LIEN MUNICIPAL FACILITIES REVENUE OBLIGATIONS, TAXABLE SERIES 2017

Dated: Date of Initial Delivery *Due:* July 1, as shown on inside front cover

The City of Goodyear, Arizona Public Improvement Corporation Subordinate Lien Municipal Facilities Revenue Obligations, Taxable Series 2017 (the "Series 2017 Obligations"), will be issued by the City of Goodyear, Arizona Public Improvement Corporation (the "Corporation"), are being issued for the benefit of the City of Goodyear, Arizona (the "City") to provide funds to (i) acquire and construct the 2017 Baseball Project (as defined herein), and (ii) to pay, for the benefit of the City, costs of issuance of the Series 2017 Obligations.

The Series 2017 Obligations will be dated the date of their initial delivery, and interest on the Series 2017 Obligations accruing at the rates set forth on the inside front cover will be payable commencing January 1, 2017*, and semiannually thereafter on each July 1 and January 1 of each year (each an "Interest Payment Date"), until maturity or prior redemption of the Series 2017 Obligations. Principal of the Series 2017 Obligations will be payable in accordance with the maturity schedules set forth on the inside front cover. Purchases of beneficial interests in the Series 2017 Obligations will be made in book-entry form in the book-entry-only system of the Depository Trust Company ("DTC") only through DTC participants in the amount of $5,000 of principal due on a specific maturity date or any integral multiple thereof. The Series 2017 Obligations will be registered in the name of DTC through its nominee as described herein. While the Series 2017 Obligations are in the book-entry-only system, no physical delivery of the Series 2017 Obligations will be made to the purchasers of the beneficial interest therein (the "Beneficial Owners"), and all payments of principal of and interest on the Series 2017 Obligations will be made to DTC as described herein. See APPENDIX G – "BOOK-ENTRY-ONLY SYSTEM."

Utilization of the book-entry-only system will affect the method and timing of payment of principal and interest on the Series 2017 Obligations and the method of transfer of the Series 2017 Obligations. So long as the book-entry-only system is in effect, a single fully-registered Series 2017 Obligation for each maturity will be registered in the name of Cede & Co., as nominee of DTC, through U.S. Bank National Association as Trustee, Registrar and Paying Agent (the "Trustee"). DTC will be responsible for distributing the principal and interest payments to its direct and indirect participants who will, in turn, be responsible for distribution to the Beneficial Owners. So long as the book-entry-only system is in effect and Cede & Co. is the registered owner of the Series 2017 Obligations, all references to owners of the Series 2017 Obligations will refer to Cede & Co. and not the Beneficial Owners. See APPENDIX G – "BOOK-ENTRY-ONLY SYSTEM."

See Inside Front Cover for Maturity Schedules

Certain of the Series 2017 Obligations will be subject to redemption prior to their stated maturity dates*. See "THE SERIES 2017 OBLIGATIONS – Redemption Provisions" herein.

The Series 2017 Obligations will be special obligations of the Corporation issued under and secured, both as to principal and interest, by the 2017 Indenture (as defined herein). The 2017 Lease (as defined herein) will allow allows for the financing of the 2017 Baseball Project. Under the terms of the 2017 Lease, the City will agree to pay rental payments ("2017 Rental Payments"), in an amount sufficient to pay, among other things, the principal of and interest on the Series 2017 Obligations. The 2017 Rental Payments are assigned by the Corporation to the Trustee by the 2017 Indenture.

The Series 2017 Obligations will be payable solely from 2017 Rental Payments and other amounts received by the Corporation under the 2017 Lease (the "2007 Revenues"), on a subordinate lien basis with the Existing Senior Obligations (as defined herein). See APPENDIX C – "SUMMARIES OF THE 2017 PRINCIPAL DOCUMENTS."

The City will pledge Excise Taxes (as defined hereafter) as security for payment of the 2017 Rental Payments due under the 2017 Lease. . Such pledge will be subordinate however to the prior and paramount lien thereon for payment of Existing Senior Obligations (as defined herein), currently outstanding in the aggregate principal amount of $97,955,000, and senior obligations subsequently issued or incurred on a parity therewith. See "EXCISE TAXES" herein. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017 OBLIGATIONS" herein. ***The Series 2017 Obligations are payable solely from the sources herein described. The Series 2017 Obligations will not be general obligations of the Corporation, the City, the State of Arizona or any political subdivision thereof and do not constitute a debt or a pledge of the full faith and credit of the Corporation, the City, the State of Arizona or any political subdivision thereof. The Corporation has no taxing power.***

The Series 2017 Obligations are offered when, as and if issued by the Corporation and received by the Underwriter identified below (the "Underwriter"), subject to the approving opinion of Gust Rosenfeld P.L.C., Phoenix, Arizona, Bond Counsel, as to validity and tax exemption. Certain legal matters will also be passed upon solely for the benefit of the Underwriter by Greenberg Traurig, LLP. It is expected that the Series 2017 Obligations will be delivered through the facilities of DTC on or about _____, 2017*.

This cover page contains only a brief description of the Series 2017 Obligations and the security therefor. It is not a summary of material information with respect to the Series 2017 Obligations. Investors are advised to read this entire Official Statement and all appendices to obtain information essential to the making of an informed investment decision.

---

* Preliminary, subject to change.

$10,000,000*
CITY OF GOODYEAR, ARIZONA PUBLIC IMPROVEMENT CORPORATION
SUBORDINATE LIEN MUNICIPAL FACILITIES REVENUE OBLIGATIONS, TAXABLE SERIES 2017

MATURITY SCHEDULES

Maturity (July 1)	Principal Amount	Interest Rate	Yield	CUSIP ® (Base No. 382512) (a)
2019	$	%	%	
2020				
2021				
2023				
2024				
2025				
2026				
2027				
2028				

(a) CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital IQ, Copyright(c) 2017 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the Corporation, the City, the Financial Advisor, the Underwriter or their agents or counsel assume responsibility for the accuracy of such numbers.

* Preliminary, subject to change.

CITY OF GOODYEAR, ARIZONA

CITY COUNCIL

Georgia Lord, *Mayor*
Sheri Lauritano, *Vice Mayor*
Joanne Osborne, *Councilmember*
Joe Pizzillo, *Councilmember*
Wally Campbell, *Councilmember*
Bill Stipp, *Councilmember*
Sharolyn Hohman, *Councilmember*

CITY AND ADMINISTRATIVE OFFICERS

Brian Dalke, *City Manager*
Wynette Reed, *Deputy City Manager*
Dan Cotterman, *Deputy City Manager*
Doug Sandstrom, *Finance Director*
Roric Massey, *City Attorney*
Maureen Scott, *City Clerk*

PUBLIC IMPROVEMENT BOARD OF DIRECTORS

Dennis Paschen, *President*
Michael Delleo, *Vice President*
Gerald Schroeder, *Secretary/Treasurer*
Karla Fabritz, *Member*
Keuth Yul, *Member*

BOND COUNSEL
Gust Rosenfeld P.L.C.
Phoenix, Arizona

FINANCIAL ADVISOR
FirstSouthwest, a Division of Hilltop Securities Inc.
Phoenix, Arizona

DEPOSITORY TRUSTEE / REGISTRAR / PAYING AGENT
U.S. Bank National Association
Phoenix, Arizona

REGARDING THIS OFFICIAL STATEMENT

This Official Statement, which includes the cover page, inside front cover and appendices hereto, does not constitute an offering of any security other than the City of Goodyear, Arizona Public Improvement Corporation (the "Corporation"), Subordinate Lien Municipal Facilities Revenue Obligations, Taxable Series 2017 (the "Series 2017 Obligations"). This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall be no sale of the Series 2017 Obligations by any person in any jurisdiction in which it is unlawful to make such offer, solicitation or sale.

The information set forth herein has been provided by the City of Goodyear, Arizona (the "City"), and other sources which are considered to be reliable and customarily relied upon in the preparation of similar official statements, but such information is not guaranteed as to accuracy or completeness and is not to be construed as the promise or guarantee of the Corporation, the City, FirstSouthwest, a Division of Hilltop Securities Inc. (the "Financial Advisor") or _____________ (the "Underwriter"). The presentation of information, including tables of receipts from taxes and other revenue sources, is intended to show recent historical information and is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No person, including any broker, dealer or salesman, has been authorized to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Corporation or the City. All estimates and assumptions contained herein have been based on the latest information available and are believed to be reliable, but no representations are made that such estimates and assumptions are correct or will be realized. All beliefs, assumptions, estimates, projections, forecasts and matters of opinion contained herein are "forward looking statements" which must be read with an abundance of caution and which may not be realized or may not occur in the future. The information and any expressions of opinion contained herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Corporation, the City, or any of the other parties or matters described herein since the date hereof. Neither this Official Statement nor any statement that may have been made orally or in writing is to be construed as part of a contract with any original purchaser or subsequent owner of any Series 2016 Bond or beneficial interest therein.

The Underwriter has provided the following sentence for inclusion in the Official Statement: The Underwriter has reviewed the information in this Official Statement pursuant to its responsibilities to investors under the federal securities laws, but the Underwriter does not guarantee the accuracy or completeness of such information.

The Corporation, the City, the Financial Advisor, the Underwriter, counsel to the Underwriter, and Bond Counsel (as defined herein) are not actuaries, nor have any of them performed any actuarial or other analysis of the City's unfunded liabilities under the Arizona State Retirement System, the Arizona Public Safety Personnel Retirement System or the Elected Officials Retirement Plan.

None of the Series 2017 Obligations, the 2007 Second Amendment or the 2008 Second Amendment (both as defined herein) will be registered under the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, nor has the 2007 Second Supplement or the 2008 Second Supplement (both as defined herein) been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon the exemptions contained in such acts; none of the Series 2017 Obligations, the 2007 Second Amendment or the 2008 Second Amendment will be qualified under the Securities Act of Arizona in reliance upon various exemptions contained in such act. Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency will have passed upon the accuracy or adequacy of the Official Statement or approved this series of securities for sale.

As the "obligated person" pursuant to Rule 15c2-12 promulgated by the Securities and Exchange Commission, the City will covenant to provide continuing disclosure as described in this Official Statement under the heading "CONTINUING SECONDARY MARKET DISCLOSURE" and in APPENDIX F – "FORM OF CONTINUING DISCLOSURE CERTIFICATE."

A wide variety of information, including financial information, concerning the City is available from publications and websites of the City and others. Any such information that is inconsistent with the information set forth in this Official Statement should be disregarded. No such information is a part of, or incorporated into, this Official Statement, except as expressly noted herein.

[PAGE INTENTIONALLY LEFT BLANK]

TABLE OF CONTENTS

OFFICIAL STATEMENT

$10,000,000*
CITY OF GOODYEAR, ARIZONA PUBLIC IMPROVEMENT CORPORATION
SUBORDINATE LIEN MUNICIPAL FACILITIES REVENUE OBLIGATIONS, TAXABLE SERIES 2017

INTRODUCTORY STATEMENT

This Official Statement, which includes the cover page, inside front cover and appendices hereto, provides certain information concerning the City of Goodyear, Arizona Public Improvement Corporation Subordinate Lien Municipal Facilities Revenue Obligations, Taxable Series 2017 (the "Series 2017 Obligations"), which will be issued by the City of Goodyear, Arizona Public Improvement Corporation (the "Corporation"), for the benefit of the City of Goodyear, Arizona (the "City") to provide funds to (i) acquire and construct the 2017 Baseball Project (as defined herein), and (ii) to pay, for the benefit of the City, costs of issuance of the Series 2017 Obligations.

See "SOURCES AND USES OF FUNDS" herein. Certain words and terms used herein and not otherwise defined herein shall have the meanings ascribed to such words and terms in APPENDIX C – "SUMMARIES OF THE 2017 PRINCIPAL DOCUMENTS."

The Series 2017 Obligations will be special obligations of the Corporation issued under, and secured, both as to principal and interest, by a Trust Indenture, dated as of May 1, 2017 (the "2017 Indenture"), between the City and U.S. Bank, National Association (the "Trustee"). The Lease-Purchase Agreement, dated as of May 1, 2017 (the "2017 Lease"), allows for the financing of the 2017 Baseball Project. Under the terms of the 2017 Lease, the City will agree to pay rental payments (the "2017 Rental Payments"), in an amount sufficient to pay the principal and interest on the Series 2017 Obligations. The 2017 Rental Payments will be assigned by the Corporation to the Trustee by the 2017 Indenture.

The City, as lessor, and the Corporation, as lessee, have entered into a Ground Lease, dated as of December 1, 2007 (the "2007 Ground Lease"), which provides for the lease of the real property related to the 2007 Project and the 2017 Baseball Project. The term of the 2007 Ground Lease continues until July 2, 2032 or until such later date as of which the City of Goodyear, Arizona Public Improvement Corporation Municipal Facilities Revenue Bonds, Series 2007A, Municipal Facilities Revenue Refunding Bonds, Series 2007B, and Municipal Facilities Revenue Refunding Bonds, Series 2007C (collectively, the "Series 2007 Bonds"), and certain additional bonds or obligations issued on a parity therewith (collectively, the "2007 Obligations"), which includes the Series 2011A Bonds and the Series 2016A Bonds, are deemed paid and discharged and the 2007 Lease is terminated. The Series 2017 Obligations will be payable solely from 2017 Rental Payments and other amounts received by the Corporation under the 2017 Lease (the "2017 Revenues"). The Corporation will also enter into an Assignment Agreement, dated as of May 1, 2017 (the "2017 Assignment Agreement"), whereby it will sell, assign, transfer and convey to the Trustee, for the benefit of the Owners of the Series 2017 Obligations and any Existing Senior Obligations (as defined herein), all of its right, title and interest in and to the 2017 Lease and the 2017 Rental Payments due pursuant to the 2017 Lease. For a summary of the 2017 Lease, the 2017 Indenture, the 2007 Ground Lease, and the 2017 Assignment Agreement, see APPENDIX C – "SUMMARIES OF THE 2017 PRINCIPAL DOCUMENTS."

The 2017 Baseball Project will not secure the City's obligation to make the 2017 Rental Payments due under the 2017 Lease. Neither the Trustee nor the registered owner of any Series 2017 Obligation has any right to exclude the City from the Real Property (as defined in the 2017 Lease) as a remedy upon the occurrence of an event of default under the 2017 Lease.

The City will pledge Excise Taxes (as defined hereafter) as security for payment of the 2017 Rental Payments due under the 2017 Lease. Such pledge will be a subordinate lien on the Excise Taxes, subordinate to a first lien on the Excise Taxes securing payment of the Senior Obligations (as defined herein), currently outstanding in the aggregate principal amount of $97,955,000. See "EXCISE TAXES" herein.

The Series 2017 Obligations will be special obligations of the Corporation, payable solely from the sources herein described. The Series 2017 Obligations will not be general obligations of the Corporation, the City, the State of Arizona (the "State" or "Arizona"), or any political subdivision thereof and do not constitute a debt or a pledge of the full faith

---
* Subject to change.

and credit of the Corporation, the City, the State or any political subdivision thereof. The Corporation has no taxing power.

Reference to provisions of Arizona law, whether codified in the Arizona Revised Statues of uncodified, or of the Arizona Constitution, are references to those current provisions. The provisions may be amended, repealed or supplemented.

Neither this Official Statement nor any statement that may have been made orally or in writing is to be construed as part of a contract with any original purchaser or subsequent owner of any Series 2017 Obligation or beneficial interest therein.

THE SERIES 2017 OBLIGATIONS

General Description

The Series 2017 Obligations will be dated the date of their initial delivery and will mature on the dates and in the principal amounts and bear interest at the interest rates all as is set forth on the inside front cover hereof. Such interest will be payable from the most recent January 1 or July 1 to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from the date of the Series 2017 Obligations, which interest shall be payable semiannually on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2018* during the term of each of the Series 2017 Obligations.

The principal of and interest on the Series 2017 Obligations will be payable, when due, to Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as the securities depository for a book-entry-only system for the Series 2017 Obligations. So long as the book-entry-only system is in effect for the Series 2017 Obligations, no document of any nature whatsoever need be surrendered as a condition to payment of the principal of and interest on the Series 2017 Obligations. Purchasers will not receive certificates representing their beneficial interest in the Series 2017 Obligations. Purchases of beneficial ownership interests in the Series 2017 Obligations will be made in book-entry-only form in the amount of $5,000 of principal due on a specific maturity date or any integral multiple thereof. See APPENDIX G – "BOOK-ENTRY-ONLY SYSTEM."

Redemption Provisions

Optional Redemption. The Series 2017 Obligations maturing on or before July 1, 20__, will not be subject to redemption prior to maturity. The Series 2017 Obligations maturing on or after July 1, 20__ will be subject to redemption prior to maturity at the option of the City, from any available funds, in whole or in part, in denominations of $5,000 of principal or integral multiples thereof from maturities selected by the City, on July 1, 20__, and on any date thereafter by the payment of a redemption price equal to the principal amount of each such Series 2017 Obligation called for redemption plus interest accrued to the date fixed for redemption, but without premium.

Notice of Redemption. Notice of any such redemption of any Series 2017 Obligation will be provided to DTC in the manner required by DTC. If the book-entry-only system is discontinued, notice of redemption will be sent to the owner of Series 2017 Obligations not more than 60 nor less than 30 days before any redemption date. Additionally, notice of redemption will be sent to the Municipal Securities Rulemaking Board (the "MSRB"), currently through its Electronic Municipal Market Access ("EMMA") system. See APPENDIX G – "BOOK-ENTRY-ONLY SYSTEM."

Selection of the Series 2017 Obligations for Redemption. The maturity of the Series 2017 Obligations to be redeemed through optional redemption as described above will be chosen by the City, and the Series 2017 Obligations within any maturity to be redeemed through optional redemption as described above will be chosen by DTC through the procedures of its book-entry-only system, or, if the book-entry-only system is not in effect, then by lot from the maturity by the Trustee.

THE CORPORATION

The Corporation is a nonprofit corporation incorporated pursuant to the laws of the State formed for the purpose of assisting the City in financing the cost of acquiring, constructing, reconstructing or improving buildings, equipment and other real and personal property suitable for any use by and lease to the City.

---

* Subject to change.

The Corporation is currently governed by a five-member board of directors (the "Board"), appointed by the Mayor and City Council of the City. Membership of the Board may not exceed five members. The members of the Board hold office for three years and any vacancy is filled by the Mayor of the City and City Council. The officers of the Corporation are elected annually by the Board.

THE 2017 BASEBALL PROJECT

The 2017 Baseball Project will consist of certain improvements and equipment to existing clubhouse facilities. The 2017 Baseball Project will be used as a Major League Baseball training facility, together with other existing facilities for spring training games, by the Cleveland Indians pursuant to a long-term use agreement with the City.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017 OBLIGATIONS

General

The Series 2017 Obligations will be payable from the 2017 Revenues received by the Corporation from the City pursuant to the 2017 Lease. Pursuant to the 2017 Lease, the City has pledged its Excise Taxes. The lien on, and pledge of, Excise Taxes for payment of the 2017 Rental Payments and other payments due under the 2017 Lease is subordinate to the lien on, and pledge of Excise Taxes securing payment of rental payments on the Series 2007 Bonds and the City of Goodyear, Arizona Public Improvement Corporation the Municipal Facilities Revenue Bonds, Series 2008 (the "Series 2008 Bonds", collectively, the "Existing Senior Obligations" and together with certain additional bonds and obligations issued on a parity therewith, the "Senior Obligations"). The City has a right, but no obligation, to appropriate other lawfully available funds to make the 2017 Rental Payments.

For a description of the City revenues comprising Excise Taxes, and for a record of the City's recent tax collection experience for each component of Excise Taxes, see "EXCISE TAXES."

"Excise Taxes" shall mean all amounts received from the imposition of unrestricted fines and forfeitures, license and permit fees, transaction privilege (sales) taxes, other transaction privilege, excise and business taxes, franchise fees and taxes, bed and rental taxes which the City now or in the future imposes and collects, and all state shared sales and income taxes and state revenue sharing collected and allocated or apportioned, now or hereafter to the City by the State or any political subdivision thereof, or by any other governmental unit or agency and which are not required by State law, rule or regulation to be expended for other purposes, such as the motor vehicle fuel tax. Excise taxes shall not include revenue from development fees or building permit fees. The City may impose taxes, license and permit fees for restricted purposes the revenues from which will not be Excise Taxes and will not be pledged to the payment of the amounts due pursuant to the 2007 Lease or 2008 Lease.

Additional Obligations

Subordinate Obligations. So long as any of the 2017 Lease or other Senior Obligations remain unpaid or unprovided for, the City agrees in the 2017 Lease, that it will not further encumber Excise Taxes on a basis equal to and on a parity with the pledge securing the Series 2017 Obligations and additional bonds and obligations issued on a parity therewith (the "Subordinate Obligations") unless Excise Taxes collected in the next preceding fiscal year (July 1 through June 30) have amounted to at one hundred and fifty percent (150%) the highest combined interest and principal requirements for any succeeding twelve month period for all outstanding Subordinate Obligations, including the Subordinate Obligations proposed to be secured by a pledge of Excise Taxes.

Senior Obligations. So long as any of the 2017 Lease or other Senior Obligations remain unpaid or unprovided for, the City agrees in the 2017 Lease, that it will not further encumber Excise Taxes on a basis senior or superior the pledge securing the Subordinate Obligations unless Excise Taxes collected in the next preceding fiscal year (July 1 through June 30) have amounted to at two hundred percent (200%) the highest combined interest and principal requirements for any succeeding twelve month period for all outstanding Senior Obligations, including the Senior Obligations proposed to be secured by a pledge of Excise Taxes.

See "ESTIMATED DEBT SERVICE REQUIREMENTS AND COVERAGE" herein.

Rate Covenant

Subordinate Obligations. Pursuant to the 2017 Lease, and to the extent permitted by law, Excise Taxes must be retained and maintained by the City so that the combined amount of Excise Taxes in any fiscal year of the City will be equal to at least one and a half times (1.5) times the total of rental payments payable pursuant to the 2017 Lease during such fiscal year after provision of payment of rental payments on the Senior Obligations. If receipts from Excise Taxes for the preceding fiscal year shall not equal at least one and a half times (1.5) times the total of rental payments payable pursuant to the 2017 Lease for the current fiscal year or next succeeding fiscal year, the City will promptly impose new excise and franchise taxes, or increase the rates for Excise Taxes currently imposed in order that (i) the current receipts will be sufficient to meet all such requirements under the 2017 Lease, and (ii) the next succeeding year's receipts will be reasonably calculated to attain the level as required above for the succeeding fiscal year's rental payment requirements.

Senior Obligations. Pursuant to the leases authorizing the issuance of the Existing Senior Obligations (collectively, the "2007 and 2008 Leases"), and to the extent permitted by law, Excise Taxes must be retained and maintained by the City so that the combined amount of Excise Taxes in any fiscal year of the City will be equal to at least two (2.0) times the total of rental payments payable pursuant to the 2007 and 2008 Leases during such fiscal year. If receipts from Excise Taxes for the preceding fiscal year shall not equal at least two (2.0) times the total of rental payments payable pursuant to the 2007 and 2008 Leases for the current fiscal year or next succeeding fiscal year, the City will promptly impose new excise and franchise taxes, or increase the rates for Excise Taxes currently imposed in order that (i) the current receipts will be sufficient to meet all such requirements under the 2007 and 2008 Leases, and (ii) the next succeeding year's receipts will be reasonably calculated to attain the level as required above for the succeeding fiscal year's rental payment requirements.

EXCISE TAXES

City Transaction Privilege (Sales) Tax

For most taxable activities occurring within the City, the City's transaction privilege (sales) tax (the "City Sales Taxes") is levied at 2.50%. Certain higher rates apply to construction and hospitality activities and a reduced rate applies to retail sales of single items costing in excess of $5,000. The City Sales Taxes are levied for general municipal purposes upon entities engaging in business within the City by applying the tax rate against the gross proceeds of sales or gross income derived from business activities and is collected by the City on a monthly basis.

The rates of the City Sales Taxes applied to the categories of business activities are as shown in the following table.

TABLE 1 (a)

Category	General Tax Rate
Amusement	2.50%
Communication	2.50
Contracting	
Pre 1/1/05 Contracts	2.00
Post 1/1/05 Contracts	3.50
Hotel/Motel	
General	2.50
Transient Lodging (Additional Tax)	2.50
Job Printing	2.50
Lease	
Commercial	2.50
Residential	2.50
Publication	2.50
Personal Property Rental	2.50
Restaurant/Bar	4.00
Retail	
General	2.50
Single Item Over $5,000	1.20
Food for Home Consumption	2.00
Utilities	2.50
Use Tax	
General	2.50
Single Item Over $5,000	1.20

(a) Revenues received by the City from imposition of development fees or building permit fees will not be considered revenues from Excise Taxes. In addition, the City's use of revenue generated by the future imposition of certain other taxes, license fees and permit fees may be limited to specific purposes. Such limited taxes or fees will not be Excise Taxes. Any revenue received by the City from these sources will not be subject to the lien of the Series 2017 Obligations, nor will such revenue be pledged for the payment of the amounts due pursuant to the 2017 Lease, or be pledged to pay the cost of complying with, or be subject to the reporting requirements of, the Continuing Disclosure Certificate described under the heading "CONTINUING SECONDARY MARKET DISCLOSURE."

Initiative measures may be circulated seeking to place on the ballot changes which could repeal or modify the City Sales Taxes.

Currently and from time to time, members of the City Council of the City may propose reducing the rates of the City Sales Taxes.

Chapter 255, Laws of Arizona 2013 (commonly referred to by its original bill number, "HB2111"), made changes to the collection process for transaction privilege (sales) taxes, including City Sales Taxes, as well as modifying certain categories of business activity, as described below.

It is anticipated that the Arizona Department of Revenue ("ADOR") will become the single point of administration for licensing, filing and payment of all State, county and municipal transaction privilege taxes beginning January 1, 2017. The law requires ADOR to establish and administer a single online portal so that taxpayers can pay all State, county or municipal transaction privilege taxes online.

The law allows ADOR, subject to statutory guidelines, to disclose confidential information related to transaction privilege taxes collected by ADOR from any jurisdiction to any county, city or town official if it relates to a taxpayer who is subject to an ADOR audit. The law stipulates that taxpayers are subject to a single audit, eliminating possible subsequent or joint audits by cities and towns. The law also stipulates a variety of requirements for the audit, most of which generally require ADOR's active involvement.

In addition, effective January 1, 2015, HB2111 also exempts from the "prime" construction contracting classification certain service contractors and design phase and professional services and modifies provisions regarding sourcing of certain transactions involving tangible personal property by providing that the sale of a motor vehicle to a nonresident delivered and intended for use outside of Arizona is exempt from state and municipal transaction privilege taxes, and removing an exemption for personal tangible property shipped or delivered directly to a location outside of the United States that is to be used in that location.

While no specific assurance can be given, the City does not expect the changes due to HB2111 to have a significant impact on the administration, collection or enforcement of the City's transaction privilege taxes, including the Excise Taxes, or amounts to be collected therefrom as the ADOR currently collects transaction privilege (sales) taxes for the State and many political subdivisions in the State, including the City. The Arizona cities and towns affected by this legislation are working cooperatively with the ADOR to help achieve a smooth transition of tax administration. Additional information is available at https://www.azdor.gov/TPT Simplication.aspx.

Beginning June 30, 2015, ADOR started assessing and collecting fees to recover a portion of the administrative, program and other operating costs incurred in providing administrative and collection services to local governments. A onetime fee will be assessed to the City for the initial implementation of reform. In addition, an annual fee will be assessed to each jurisdiction, such as the City, to pay for ongoing ADOR operations and additional collection staff. This annual fee will be calculated in proportion to each jurisdiction's share of the hereinafter described state shared revenues distributed in the preceding fiscal year. Local governments can pay these obligations from any revenue source and these fees are not expected to reduce the City's State shared revenues. The City is currently unable to determine the exact amount of these payments, but it is not expected that they will be material.

From time to time, bills, such as HB2111, may be introduced in the Arizona Legislature to make changes to the collection process, categories subject to taxation or other factors relating to the City Sales Taxes.

The table below sets forth a record of City transaction privilege (sales) tax receipts by industry classification on a cash basis format for Fiscal Year 2011/12 through Fiscal Year 2016/17.

TABLE 2 (a)

Industry Classification	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
Mining		$ 7,159	$ 7,159	$ 4,024	$ 970	$ 9,534
Construction (b)		7,545,663	5,559,142	7,988,471	7,027,296	4,755,592
Manufacturing		1,410,894	1,318,999	931,362	759,858	701,876
Utilities		4,077,652	4,051,837	3,819,536	3,656,309	3,469,559
Wholesale Trade		1,032,679	1,130,527	1,072,608	977,475	924,842
Retail Trade		17,279,498	16,348,224	15,787,043	14,265,736	13,576,350
Restaurant, Bar, & Hotels		8,128,822	7,410,772	6,299,475	5,965,099	5,637,192
Real Estate		5,575,550	5,480,481	4,467,373	4,405,695	3,480,031
Services		2,833,590	2,424,312	1,764,488	1,700,258	1,640,296
Miscellaneous		839,592	1,032,464	968,896	873,005	1,414,929
		$48,730,474	$44,763,918	$43,103,276	$39,631,700	$35,610,202

(a) This table has not been the subject of any separate audit procedures. The City's annual audit does not allocate by industry classification. The City's Comprehensive Annual Financial Report does include unaudited information similar to that presented in this table; however, the totals may differ from audited tax revenues because of a difference in reporting basis and periods.

(b) See APPENDIX A – "CITY OF GOODYEAR, ARIZONA – GENERAL DEMOGRAPHIC AND ECONOMIC INFORMATION" TABLE A-4 "Value of Building Permits" and TABLE A-5 "New Housing Starts" with regard to activity for this classification.

Source: City of Goodyear Finance Department.

State-Shared Revenues

State Shared Sales Tax. Pursuant to statutory formula, cities and towns in Arizona have received since 1942 a portion of the State-levied transaction privilege (sales) tax. The State transaction privilege (sales) tax is levied against the same categories of business activity as the City's transaction privilege (sales) tax with the exception of food sales, which the State exempts from tax.

Under current State law, the aggregate amount distributed to all Arizona cities and towns is equal to 25% of the "distribution share" of revenues attributable to each category of taxable activity. The allocation of each city and town of the revenues available to all cities and towns is based on their population relative to the aggregate population of all cities and towns as shown by the latest decennial or special census. State-levied transaction privilege (sales) taxes are collected by the State and are distributed monthly to cities and towns.

As the following table indicates, the rate of taxation varies among the different types of business activities taxed, with the most common effective rate being subject to the hereinafter described distribution share being 5% of the amount or volume of business transacted.

TABLE 3

	State Transaction Privilege (Sales) Tax Rates			
	State Tax Rate	Distribution Base	Education Tax Rate (a)	Combined Tax Rate
Transporting	5.000%	20.000%	0.600%	5.600%
Utilities	5.000	20.000	0.600	5.600
Telecommunications	5.000	20.000	0.600	5.600
Pipeline	5.000	20.000	0.600	5.600
Private car line	5.000	20.000	0.600	5.600
Publication	5.000	20.000	0.600	5.600
Job printing	5.000	20.000	0.600	5.600
Prime contracting	5.000	20.000	0.600	5.600
Amusement	5.000	40.000	0.600	5.600
Restaurant	5.000	40.000	0.600	5.600
Personal property rental	5.000	40.000	0.600	5.600
Retail (excluding food sales)	5.000	40.000	0.600	5.600
Transient lodging	5.500	50.000	N/A	5.500
Mining - non-metal, oil/gas	3.125	32.000	N/A	3.125
Commercial lease	0.000	53.330	N/A	0.000
Severance - metal liferous mining	2.500	80.000	N/A	2.500
Use tax utilities	5.000	20.000	0.600	5.600
Jet fuel use tax	(b)	40.000	N/A (c)	(b)

(a) Represents the State transaction privilege (sales) tax rate approved by voters of the State in November 2000 (the "Education Tax") on certain of the categories of business activity at six-tenths of one percent (0.6%). **The Education Tax collections are dedicated exclusively to education and are not distributed to the City or pledged to the payment of debt service with respect to the Series 2017 Obligations.** The effective dates for the Education Tax are June 1, 2001 through June 30, 2021.

(b) Does not include $0.0305 per gallon State tax on the retail sale of jet fuel, which tax is only levied on the first ten million gallons sold to each purchaser in each calendar year.

(c) N/A = Not Applicable

Source: Arizona Revised Statutes, Arizona Department of Revenue and the Arizona Secretary of State.

State Shared Income Tax. Under current State law, Arizona cities and towns are preempted from imposing a local income tax. However, cites and towns have since 1972 been entitled by statutory formula to receive typically 15.0% of the net revenues of the State's personal and corporate income tax collections for the two fiscal years prior to the current fiscal year. Distribution of such funds is made monthly based on the proportion of each city's or town's population to the total population of all incorporated cities and towns in the State as determined by the latest census. Reduced economic activity or reductions in the statutory formula share could adversely affect the City's revenues.

State-Shared Vehicle License Tax. Approximately twenty percent of the revenues collected for the licensing of motor vehicles is distributed to incorporated cities and towns. A city or town receives its share of the vehicle license tax collections based on its population in relation to the total incorporated population of the county. These monies are distributed on a monthly basis. The only stipulation on the use of this revenue is that it must be expended for a public purpose.

Legislative Ability to Eliminate and Reduce State-Shared Revenues. The State Legislature may eliminate State-shared sales and income taxes and any other State-shared revenues or may change the amount and timing of State-shared sales and income taxes and any other State-shared revenues and is under no legal obligation to maintain the amount of State-shared sales and income taxes or any other State-shared revenues distributed to the City at any amount or level. Accordingly, the City is unable to maintain its State-shared sales and income taxes at any particular level for payment of the 2017 Rental Payments.

From time to time, bills are introduced in the Arizona Legislature to make changes to the formulas used to allot State-shared sales and revenue taxes and alter State revenue sharing or other potential changes, such as those described in the following paragraph. The possibility of changes in this regard are more likely to be adverse to the City when the State is experiencing financial difficulties. The City cannot determine whether any such measures will become law or how they might affect the revenues that comprise Excise Taxes. In addition, initiative measures are circulated from time to time seeking to place on the ballot changes in Arizona law which repeal or modify State sales taxes and State income taxes (the major sources of funds for State revenue sharing). The City cannot predict if any such initiative measures will ever actually be submitted to the electors, what form the measures might take or the outcome of any such election.

Legislation recently enacted, permits the State to withhold certain State-shared revenues from a city, town or county (a "Local Jurisdiction") if such Local Jurisdiction has passed an ordinance, regulation or other official action (a "Local Enactment") that violates State law or the State constitution, in the determination of the State Attorney General. Under the legislation, any member of the State Legislature may ask the State Attorney General to investigate a Local Enactment. On being notified of a determination by the State Attorney General, the Local Jurisdiction will have thirty days to resolve the violation as determined by the State Attorney General, or if not, the State Attorney General is required to notify the State Treasurer to withhold State-shared sales taxes and State-shared income taxes from such Local Jurisdiction until the State Attorney General determines that no violation of State law exists. In withholding any such distributions of such State-shared revenues, the State Treasurer may not withhold any amount that the affected Local Jurisdiction certifies to the State Attorney General and the State Treasurer as being necessary to make any required deposits or payments for debt service on bonds or other long-term obligations of such Local Jurisdiction that were issued or incurred before committing the violation.

The City is not aware of any current or proposed Local Enactment of the City that would potentially violate State law. If the City received a determination that an adopted Local Enactment violated State law in the determination of the State Attorney General, the City expects it would take whatever reasonable and practicable actions may be necessary to address the issue within the thirty day period permitted by the legislation. Such actions would include notifying the State Attorney General and the State Treasurer of the amounts, if any, of State-shared sales taxes and State Shared income taxes necessary to make required deposits or debt service payments on the City's long-term obligations secured by such funds issued or incurred before the violation occurred and which could not be withheld.

Other Excise Tax Revenues. Cities and towns in the State have exclusive control over public rights of way dedicated to the municipality and may grant franchise agreements to, and impose franchise taxes on, utilities using those rights of way. A franchise may be granted only with voter approval with the exception of cable television franchise, which due to federal law do not require voter approval. The term of voter approved franchises is limited to 25 years. The City has granted franchises to, and imposed franchise taxes on, cable television franchises. The City also imposes and collects fines and forfeitures for violations of State laws or City ordinances relating to traffic, parking, animal control and other offenses.

Historical and Budgeted Excise Taxes

The following table contains a list of the sources of City revenues which comprise Excise Taxes, as well as a record of the respective actual amounts of such revenues received by the City for the most recent four full fiscal years (July 1 through June 30) and budgeted amount of such revenues for the current fiscal year. Information for Fiscal Year 2011/12 through Fiscal Year 2014/15 has been provided by the City from City records for which audited financial statements are available. Information for Fiscal Year 2015/2016 has been provided by the City from City records for which unaudited financial statements are available. For Fiscal Year 2016/2017 the budgeted totals provided are shown in the cash basis presentation format, which is the method for measurement of Excise Taxes. Budgeted totals shown for 2016/17 by the City have not been the subject of any separate audit procedures. For descriptions of the City revenue components comprising the Excise Taxes, see "EXCISE TAXES." Also, see APPENDICES A and B for certain economic and demographic information about the City.

TABLE 4 (a)

	Budgeted	Unaudited		Audited Actual		
Excise Taxes	2016/17 (b)	2015/16 (b)	2014/15	2013/14	2012/13	2011/12
City Transaction Privilege (Sales) Tax	$42,255,860	$49,309,600	$45,333,649	$43,775,464	$40,222,752	$36,364,557
State-Shared Sales Tax	7,389,633	6,258,721	5,965,400	5,681,717	5,342,879	5,100,608
State-Shared Income Tax	9,669,908	7,859,101	7,901,942	7,275,727	6,667,701	5,509,258
State-Shared Vehicle License Tax	3,071,021	2,729,966	2,494,245	2,327,996	2,184,380	2,094,960
Fines and Forfeitures	815,700	839,109	860,313	884,735	809,334	
Franchise Taxes	2,863,606	2,832,759	2,718,204	2,611,016	2,529,456	2,460,521
Total	$66,065,728	$69,829,255	$65,273,754	$62,556,655	$57,756,502	$52,355,875

(a) This table has not been the subject of any separate audit procedures.

(b) These amounts include "forward looking" statements and should be considered with an abundance of caution.

Source: City of Goodyear Finance Department.

SOURCES AND USES OF FUNDS

Proceeds of the Series 2017 Obligations will be applied as set forth below.

Sources of Funds:	
Principal Amount of the Series 2017 Obligations	$ *
[Net] Original Issue Premium (a)	$
Total Sources of Funds	$
Uses of Funds:	
Deposit to Depository Trust	$
Payment of Costs of Issuance (b)	
Deposit to Obligation Project Fund:	
Total Uses of Funds	$

(a) Net original issue premium consists of original issue premium on the Series 2017 Obligations, less original issue discount on the Series 2017 Obligations.

(b) Includes certain costs incurred by the Corporation and the City in connection with the issuance of the Series 2017 Obligations and Underwriter's discount.

ESTIMATED DEBT SERVICE REQUIREMENTS AND COVERAGE *(a)

The table below sets forth (i) the annual debt service requirements of all outstanding Existing Senior Obligations, (ii) the estimated debt service coverage ratio of maximum annual debt service of all outstanding Senior Obligations against Excise Taxes collected for Fiscal Year 2015/16 (iii) the estimated annual debt service requirements of the Series 2017 Obligations, and (iv) the estimated debt service coverage ratio of maximum annual debt service of Subordinate Obligations after issuance of the Series 2017 Obligations against Excise Taxes collected for Fiscal Year 2015/16 less annual debt service on all Existing Senior Obligations outstanding.

			The Series 2017 Obligations			
Fiscal Year Ending (6-30)	Outstanding Existing Senior Obligations	Senior Obligations Debt Service Coverage(c)	Principal	Estimated Interest (b)	Estimated Total Annual Debt Service	Subordinate Obligations Debt Service Coverage (c)
2017	6,690,081	10.44x				
2018	6,967,825		795,000	548,611	1,343,611	46.79x
2019	9,152,525		835,000	460,250	1,295,250	
2020	9,152,825	7.63x	875,000	418,500	1,293,500	
2021	9,151,225		920,000	374,750	1,294,750	
2022	9,152,325		965,000	328,750	1,293,750	
2023	9,150,075		1,015,000	280,500	1,295,500	
2024	9,148,825		1,065,000	229,750	1,294,750	
2025	9,151,650		1,120,000	176,500	1,296,500	
2026	9,149,400		1,175,000	120,500	1,295,500	
2027	9,150,900		1,235,000	61,750	1,296,750	
2028	9,151,850					
2029	9,150,600					
2030	9,150,600					
2031	9,148,800					
2032	6,138,800					
			10,000,000			

(a) The table above has been prepared by the Financial Advisor.

(b) Interest is estimated at 5.0%. The first interest payment on the Series 2017 Obligations is due January 1, 2018*, and will represent interest on the Series 2017 Obligations calculated from the date of initial delivery to that date. Interest will be payable on each July 1 and January 1 thereafter until final maturity or prior redemption.

(c) The Senior Obligation debt service coverage is calculated using Excise Taxes collected for Fiscal Year 2015/16 ($69,829,255). The Subordinate Obligation debt service coverage is calculated using Excise Taxes collected for Fiscal Year 2015/16 less annual debt service on all Existing Senior Obligations outstanding ($62,861,430). See "EXCISE TAXES."

LITIGATION

No litigation or administrative action or proceeding is pending, restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Series 2017 Obligations, execution and delivery of the 2007 Second Amendment or the 2008 Second Amendment or the payment of 2007 Rental Payments or 2008 Rental Payments by the City, contesting or questioning the proceedings and authority under which the 2007 Second Amendment and the 2008 Second Amendment, the 2007 Second Supplement and the 2008 Second Supplement and the Series 2017 Obligations have been approved and

* Subject to change.

authorized and under which the Series 2017 Obligations are to be issued, sold, executed or delivered, or the validity of the Series 2017 Obligations.

LEGAL MATTERS

Legal matters incident to the authorization, sale and issuance by the Corporation of the Series 2017 Obligations and with regard to the tax-exempt status thereof will be passed upon by Gust Rosenfeld P.L.C., Phoenix, Arizona, Bond Counsel ("Bond Counsel"). Signed copies of an opinion for each series of the Series 2017 Obligations, dated and speaking only as of the date of delivery of the Series 2017 Obligations, will be delivered to the Corporation. The forms of those opinions are included as APPENDIX E – "FORMS OF APPROVING LEGAL OPINIONS" hereto. The fees and expenses of Bond Counsel will be paid from proceeds of the sale of the Series 2017 Obligations.

The proposed text of the legal opinions are set forth as APPENDIX E hereto. The legal opinions to be delivered may vary from the text of APPENDIX E if necessary to reflect the facts and law on the date of delivery. The opinions will speak only as of their date, and subsequent distribution, by recirculation of this Official Statement or otherwise, should not be construed as a representation that Bond Counsel has reviewed or expressed any opinion concerning any matters relating to the Series 2017 Obligations subsequent to the original delivery of the Bonds.

Certain legal matters will be passed upon solely for the Underwriter with respect to the Series 2017 Obligations by Greenberg Traurig LLP, counsel to the Underwriter ("Counsel to the Underwriter").

The various legal opinions to be delivered concurrently with the delivery of the Series 2017 Obligations express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

TAXABLE BONDS TAX MATTERS

In the opinion of Bond Counsel, interest income on the Series 2017 Obligations is exempt from State of Arizona income taxes. Bond Counsel expresses no opinion as to any other tax consequences regarding the Series 2017 Obligations. INTEREST ON THE SERIES 2017 OBLIGATIONS IS NOT EXCLUDED FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES. THE LEGAL DEFEASANCE OF THE SERIES 2017 OBLIGATIONS MAY RESULT IN A DEEMED SALE OR EXCHANGE OF THE SERIES 2017 OBLIGATIONS UNDER CERTAIN CIRCUMSTANCES; AND OWNERS OF THE SERIES 2017 OBLIGATIONS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE FEDERAL INCOME TAX CONSEQUENCES OF SUCH AN EVENT. PROSPECTIVE PURCHASERS OF THE SERIES 2017 OBLIGATIONS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS AS TO THE FEDERAL, STATE, AND LOCAL, AND FOREIGN TAX CONSEQUENCES OF THEIR ACQUISITION, OWNERSHIP AND DISPOSITION OF SERIES 2017 OBLIGATIONS.

OTHER TAX MATTERS

The following discussion is generally limited to "U.S. owners," meaning beneficial owners of Series 2017 Obligations that for United States federal income tax purposes are individual citizens or residents of the United States, corporations or other entities taxable as corporations created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), and certain estates or trusts with specific connections to the United States. Partnerships holding Series 2017 Obligations, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the Series 2017 Obligations (including their status as U.S. owners).

Information Reporting and Backup Withholding

General information reporting requirements will apply to payments of principal and interest made on a Series 2017 Obligation and the proceeds of the sale of a Series 2017 Obligation to non-corporate holders of the Series 2017 Obligations, and "backup withholding" at a rate of 28% will apply to such payments if the owner fails to provide an accurate taxpayer identification number in the manner required or fails to report all interest required to be shown on its federal income tax returns. A beneficial owner of a Series 2017 Obligation that is a U.S. owner generally can obtain complete exemption from backup withholding by providing a properly completed IRS Form W-9 (Request for Taxpayer Identification Number and Certification).

Non-U.S. Owners

Holders who are not United States persons as defined for federal tax purposes may be subject to special rules and should consult their tax advisors.

Circular 230

THE FOREGOING DISCUSSION IN "TAXABLE BONDS TAX MATTERS" OR "OTHER TAX MATTERS" WAS NOT INTENDED OR WRITTEN BY BOND COUNSEL TO BE USED, AND IT CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON AN OWNER OF THE SERIES 2017 OBLIGATIONS. EACH PROSPECTIVE PURCHASER OF THE SERIES 2017 OBLIGATIONS SHOULD SEEK ADVICE BASED ON THE PROSPECTIVE PURCHASER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

ORIGINAL ISSUE DISCOUNT

The initial public offering prices of the Series 2017 Obligations maturing on July 1, 20___ through and including July 1, 20___ (collectively, the "Discount Bonds"), are less than the respective amounts payable at maturity. As a result, the Discount Bonds will be considered to be issued with original issue discount. The difference between the initial public offering price (the "Issue Price") of the Discount Bonds, and the amount payable at maturity, of the Discount Bonds will be treated as "original issue discount." With respect to a Beneficial Owner who purchases a Discount Bond in the initial public offering at the Issue Price and who holds the Discount Bond to maturity, the full amount of original issue discount will constitute interest income which is not includible in the gross income of the Beneficial Owner of the Discount Bond for federal income tax purposes and Arizona income tax purposes and that Beneficial Owner will not, under present federal income tax law and present Arizona income tax law, realize a taxable capital gain upon payment of the Discount Bond at maturity.

The original issue discount on each of the Discount Bonds is treated for federal income tax purposes and Arizona income tax purposes as accreting daily over the term of such Discount Bond on the basis of a constant interest rate compounded at the end of each six-month period (or shorter period from the date of original issue) ending on January 1 and July 1 (with straight-line interpolation between compounding dates).

The amount of original issue discount accreting each period will be added to the Beneficial Owner's tax basis for the Discount Bond. The adjusted tax basis will be used to determine taxable gain or loss upon disposition of the Discount Bond. An initial Beneficial Owner of a Discount Bond who disposes of the Discount Bond prior to maturity should consult his or her tax advisor as to the amount of the original issue discount accrued over the period held and the amount of taxable gain or loss upon the sale or disposition of the Discount Bond prior to maturity.

The Code contains certain provisions relating to the accretion of original issue discount in the case of subsequent Beneficial Owners of the Discount Bonds. Beneficial Owners who do not purchase the Discount Bonds in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of the ownership of Discount Bonds.

TAXABLE BONDS PURCHASED AT A PREMIUM

The initial public offering price of the Series 2017 Obligations maturing on July 1, 20__ through and including July 1, 20__ (collectively, the "Premium Bonds") are greater than the amounts payable on such Premium Bonds at maturity. An amount equal to the difference between the initial public offering price of a Premium Bond (assuming that a substantial amount of the Premium Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes premium to the initial Beneficial Owner of such Premium Bonds. The basis for federal income tax purposes of a Premium Bond in the hands of such initial Beneficial Owner must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium which is amortizable each year by an initial Beneficial Owner is determined by using such Beneficial Owner's yield to maturity. Beneficial Owners of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium with respect to the Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning Premium Bonds.

RATINGS

Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's Financial Services LLC ("S&P") have assigned ratings of "__" and "__", respectively, to the Series 2017 Obligations. Such ratings reflect only the views of Moody's and S&P. An explanation of the significance of such ratings may be obtained from Moody's at 7 World Trade Center, 250 Greenwich Street, New York, New York 10007 and from S&P at 55 Water Street, New York, New York 10041. Such ratings may subsequently be revised downward or withdrawn entirely by Moody's or S&P, if, in their respective judgment, circumstances so warrant. Any subsequent downward revision or withdrawal of such ratings may have an adverse effect on the market price and transferability of the Series 2017 Obligations. The City will covenant in its continuing disclosure certificate (see "CONTINUING SECONDARY MARKET DISCLOSURE" below) that it will cause notices to be filed with the MSRB of any formal change in the ratings relating to the Series 2017 Obligations.

UNDERWRITING

The Series 2017 Obligations will be purchased by _____ (the "Underwriter") at a purchase price of $______ (which consists of the principal amount of the Series 2017 Obligations of $____ plus a [net] reoffering premium of $____ and less Underwriter's compensation of $_____), pursuant to a bond purchase contract executed by and between the Corporation and the Underwriter (the "Purchase Contract"). If the Series 2017 Obligations are sold to produce the prices or yields shown on the inside front cover hereof, the Underwriter's compensation will be $______. The Purchase Contract provides that the Underwriter will purchase all of the Series 2017 Obligations so offered if any are purchased. The Underwriter may offer and sell the Series 2017 Obligations to certain dealers (including dealers depositing the Series 2017 Obligations into unit investment trusts) and others at yields higher than the public offering yields stated on the inside front cover hereof. The initial yields set forth on the front cover hereof may be changed, from time to time, by the Underwriter.

CONTINUING SECONDARY MARKET DISCLOSURE

The City, as "obligated person" with respect to the Series 2017 Obligations, will covenant for the benefit of the owners of the Series 2017 Obligations to provide certain financial information and operating data relating to the City by not later than February 1 in each year commencing February 1, 2017 (the "Annual Reports"), and to provide notices of the occurrence of certain listed events (the "Notices"). Such covenants will be made in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12, as amended (the "Rule"). The Annual Reports, the Notices and other information required to be filed by such covenants will be filed by the City with the MSRB, currently through EMMA as described in APPENDIX F – "FORM OF CONTINUING DISCLOSURE CERTIFICATE." The form of the undertaking which describes the content of the Annual Reports and the Notices and the method of their dissemination are included as APPENDIX F hereto. A failure by the City to comply with these covenants must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2017 Obligations in the secondary market. Absence of continuing disclosure could adversely affect the Series 2017 Obligations and specifically their market price and transferability.

Prior continuing disclosure undertakings entered into by the City required Annual Reports to be filed by February 1, 2010, February 1, 2011 and February 1, 2012. Such annual reports were filed in a timely manner in compliance with the Rule, but the City failed to properly attribute all the correct CUSIP numbers on EMMA. For the annual report which was due on February 1, 2010, the correct CUSIP numbers have been identified and attributed to such annual report on EMMA as of March 5, 2014. For the annual reports which were due on February 1, 2011 and February 1, 2012, the correct CUSIP numbers have been identified and attributed to such annual reports on EMMA as of March 5, 2012. The City has established procedures to ensure timely filing of its annual reports required by the Rule.

RELATIONSHIPS AMONG THE PARTIES

In connection with the issuance of the Series 2017 Obligations, the Corporation, the City and the Underwriter are being represented by the law firms identified above under the heading "LEGAL MATTERS." In other transactions not related to the Series 2017 Obligations, each of these law firms may have acted as Bond Counsel or represented the City, the Underwriter, the Financial Advisor, or their affiliates, in capacities different from those described under "LEGAL MATTERS", and there will be no limitations imposed as a result of the issuance of the Series 2017 Obligations on the ability of any of these firms or attorneys to act as Bond Counsel or represent any of these parties in any future transaction. Potential purchasers of the Series 2017 Obligations should not assume that Counsel to the Underwriter or Bond Counsel have not previously engaged in, are not currently engaged in, or will not after the issuance of the Series 2017 Obligations engage in other transactions with each other or with any affiliates of any of them, an not assurances can be given that there are or will be no past or future relationships or transactions between or among any of these parties or these attorneys or law firms.

FINANCIAL ADVISOR

The fee of FirstSouthwest, a Division of Hilltop Securities Inc. (the "Financial Advisor") for services rendered with respect to the sale of the Series 2017 Obligations is contingent upon the issuance and delivery of the Series 2017 Obligations. The Financial Advisor has not verified, and does not assume any responsibility for, the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Series 2017 Obligations, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

FINANCIAL STATEMENTS

The audited financial statements of the City for the fiscal year ended June 30, 2016, a copy of which is included in APPENDIX D of this Official Statement, have been audited by Heinfeld, Meech & Co., P.C., certified public accountants, to the extent and for the period indicated in their report thereon. The City is not aware of any facts that would make such audited financial statements misleading. The audited financial statements are for the fiscal year ending June 30, 2016 and are not current. The City neither requested nor obtained the consent of Heinfeld, Meech & Co., P.C. to include the report, and Heinfeld, Meech & Co., P.C., has performed no procedures subsequent to rendering its opinion on the financial statements.

CONCLUDING STATEMENT

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty and no representation is made that any of these opinions or estimates have been or will be realized. Information in this Official Statement has been derived by the City from official and other sources and is believed by the City to be accurate and reliable. Information other than that obtained from official records of the City has not been independently confirmed or verified by the City and its accuracy is not guaranteed.

Neither this Official Statement nor any statement that may have been or that may be made orally or in writing is to be construed as part of a contract with the original purchasers or subsequent owners of the Series 2017 Obligations.

This Official Statement has been prepared on direction of the City, on behalf of the Corporation, and has been approved by and executed for and on behalf of the City and the Corporation by their respective authorized representatives indicated below.

CITY OF GOODYEAR, ARIZONA

By: ________________________
Finance Director

CITY OF GOODYEAR, ARIZONA
PUBLIC IMPROVEMENT CORPORATION

By: __________________________________
President, Board of Directors

APPENDIX A

CITY OF GOODYEAR, ARIZONA
GENERAL ECONOMIC AND DEMOGRAPHIC INFORMATION

The following information regarding the City is provided for background information only. No representation is made as to the relevance of the data to the repayment of the Series 2017 Obligations. The Series 2017 Obligations will be payable solely from the 2007 Rental Payments due under the 2007 Lease and the 2008 Rental Payments due under the 2008 Lease which will be secured by Excise Taxes as described under the heading "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017 OBLIGATIONS." See "EXCISE TAXES."

General

The City (also referred to herein as "Goodyear"), which incorporated in 1946, is a suburban community and lies approximately 17 miles southwest of metro Phoenix. The City was founded in 1916 by the Goodyear Tire & Rubber Company for the farming of cotton. Later, a naval air station was established in Goodyear and a subsidiary, Goodyear Aircraft, began manufacturing flight decks for Navy sea planes. Goodyear Aircraft is now Lockheed Martin, one of the City's largest employers. See TABLE A-3. The City has grown from a one-industry, agricultural-based community into a diversified manufacturing and service center for the far west valley area.

The City annexed 67 square miles south of its former southern boundary, which annexation expanded the City to approximately 190 square miles. The annexed area is expected to be primarily utilized in future years for residential land uses.

Population Statistics

TABLE A-1

Year	City of Goodyear	Maricopa County	State of Arizona
2015 Estimate*	77,776	4,076,438	6,758,251
2010 Census	65,275	3,817,117	6,392,017
2000 Census	18,911	3,072,149	5,130,632
1990 Census	6,258	2,122,101	3,665,339

* Estimate as of July 1, 2015 (published December 2015).

Source: Arizona Department of Administration – Office of Employment and Population Statistics and US Census Bureau.

Municipal Government Organization and Services

The City's charter government provides for six City Council members, a Mayor elected at large and a Vice Mayor who is elected by the Mayor and City Council members. Council members serve four-year staggered terms and the Mayor a four-year term. The Mayor is limited to two four-year terms and City Council members are limited to three four-year terms. The City Manager, who is appointed by the City Council, is responsible for the overall operation and supervision of all governmental functions. The operations of City government are provided by a staff of approximately 531 employees.

The City, along with other private utilities, provides refuse collection and public safety (police and fire) to its residents. The City and Liberty Water Company provide water and sewer service to a majority of the City's residents. Electricity is provided by Arizona Public Service Company, and natural gas is supplied by Southwest Gas Corporation.

The following are certain members of the administrative staff of the City:

Brian Dalke, City Manager. Mr. Dalke was appointed City Manager in October 2012. Mr. Dalke had previously served as the City's Deputy City Manager since 2004 and prior to that as the City's Economic Development Director since 1994. Prior to his employment at the City, he spent 16 years with Salt River Project as Senior Representative for Business and

Industrial Development. Mr. Dalke is a graduate of the Economic Development Institute, and holds a Bachelor of Arts Degree in Business Administration from Ottawa University.

Doug Sandstrom, Finance Director. Mr. Sandstrom was appointed Finance Director in 2016. Mr. Sandstrom previously served as the Finance Director for the City of Casa Grande, Arizona from 2013 to 2016, Administrative Services Director for the City of Show Low, Arizona from 2010 - 2013 and in various capacities for the City of Surprise, Arizona from 1999 to 2009 including Budget/Grant Analyst, Budget Manager, Management & Budget Director and Assistant City Manager. Mr. Sandstrom has also served as Finance Director for the Town of Gila Bend, Arizona and as a Financial Analyst for the City of Rockford, Illinois. Mr. Sandstrom holds a master's degree in public administration from the University of Wisconsin-Milwaukee and a bachelor's degree in political science/economics from St. Cloud State University in Minnesota.

Economy

Historically agriculture was a major contributor to the City's economic base. Agriculture still plays a role in the City's economy, however, it no longer dominates the area's economy. Today much of the City's economy centers around the aerospace industry and retail services. Arizona's Airline Training Center and Lockheed Martin are located on the Phoenix-Goodyear Airport Campus. Industrial, commercial and residential developments have also become a significant part of the economy.

Goodyear Ballpark is the Spring Training and player development home of both of Ohio's Major League Baseball teams – the Cleveland Indians and Cincinnati Reds. The Cleveland Indians started spring training in the City in 2009; the Cincinnati Reds started spring training in the City in 2010. Each team has a year-round presence in Arizona, through Spring Training, extended Spring Training, Rookie League, Fall Instructional League and rehabilitation of injured players at their training complexes. The Indians and Reds Development Complexes each include a 42,000 square foot clubhouse, six full-size practice fields, two infields, batting cages, pitching mounds, hitting tunnels and observation towers. Both teams have made Arizona their second home, and are actively engaged in the City and surrounding communities, participating in charity activities, youth sports programs and other events.

Unemployment Rate Averages

TABLE A-2 (a)

Years	City of Goodyear	Maricopa County	State of Arizona	United States
2016 (b)	4.9%	4.7%	5.6%	5.0%
2015	5.4	5.2	6.1	5.3
2014	6.0	5.9	6.8	6.2
2013	6.9	6.6	7.7	7.4
2012	7.7	7.3	8.3	8.1

(a) This table includes restated data: Local Area Unemployment Statistics ("LAUS") program data is intermittently revised to incorporate new population controls, updated inputs, reestimation of models, and adjustment to new census division and national control totals.

(b) Data is not seasonally adjusted, is preliminary and is an average through July 2016. Data accessed August 2016.

Source: U.S. Department of Labor, Bureau of Labor Statistics– *Local Area Unemployment Statistics* and *National Labor Force Statistics*.

A list of significant employers with respect to the City is set forth in the following table.

Major Employers
City of Goodyear, Arizona

TABLE A-3

Employer	Product/Service	Approximate Employment
State of Arizona	Public Administration	850
Avondale Elementary School District No. 44	Education	800
West Valley Hospital	Hospital	750
Agua Fria Union High School District No. 216	Education	733
Cancer Treatment Centers of America	Healthcare Services	650
Macy's Logistics	Distribution Center	600
City of Goodyear	Government	527
Amazon.com	Distribution Center	500
Sub-Zero/Wolf	Appliance Manufacturing	428
McLane Sunwest	Grocery Distributor	360
AeroTurbine	Aviation	300

Source: The City.

Construction

The following charts illustrate a building permit summary for residential and non-residential construction and new housing starts for the City.

Value of Building Permits
City of Goodyear, Arizona
($000s omitted)

TABLE A-4

Years	Residential	Commercial and Industrial	Other	Total
2015/16(a)	$285,986	103,346	-	389,332
2014/15	318,918	31,234	-	350,152
2013/14	222,280	27,598	-	249,878
2012/13	271,095	66,615	-	337,710
2011/12	271,682	54,174	23,286	349,142

Source: The City. Note that the report obtains its data from County and municipal divisions which issue such permits. Construction is valued on the basis of estimated cost, not on market price or value of construction at the time the permit is issued. The date on which the permit is issued is not to be construed as the date of construction.

New Housing Starts
City of Goodyear, Arizona

TABLE A-5

Years	Total New Housing Starts
2015/16	1,014
2014/15	894
2013/14	860
2012/13	1,006
2011/12	737

Source: The City. Note that the report obtains its data from County and municipal divisions which issue such permits. Construction is valued on the basis of estimated cost, not on market price or value of construction at the time the permit is issued. The date on which the permit is issued is not to be construed as the date of construction.

Transportation

The City is readily accessible via ground and air transportation. Highway access is provided by County Highway 85 and Interstate 10. Other freeways, including State Route 101, State Route 303, Interstate 17 and Interstate 8 are readily accessible to the City. The City is approximately 25 miles from Phoenix Sky Harbor International Airport, which offers service from major airlines, commuter airlines and charter companies. The Phoenix-Goodyear Airport, located within the City is classified as a reliever airport to Phoenix Sky Harbor International Airport. The airport has an 8,500-foot lighted and paved runway and offers various airport related facilities. The City is also served by the major bus companies and rail service is provided by the Union Pacific Railroad.

Education

Elementary and secondary education is provided to residents of the City by Mobile Elementary School District, Avondale Elementary School District, Liberty Elementary School District, Litchfield Elementary School District, Littleton Elementary School District, Buckeye Union High School District, Tolleson Union High School District and Agua Fria Union High School District. Post-secondary education is provided by the Maricopa County Community College District, which provides two-year and professional degrees through a number of facilities located throughout the County and the greater Phoenix metropolitan area, including the campus of Estrella Mountain Community College located in the neighboring City of Avondale. Four-year degrees are attainable through Arizona State University located in Phoenix, Glendale, Mesa and Tempe, Arizona, Grand Canyon University located in Phoenix and other universities located in the greater Phoenix metropolitan area which offer flexible class schedules to the working individuals of Maricopa County. Franklin Pierce University located in Goodyear offers doctorate programs through its College of Graduate and Professional Studies.

[TO BE UPDATED BY FSW]

APPENDIX B

CITY OF GOODYEAR, ARIZONA
FINANCIAL DATA

The following information regarding the City is provided for background information only. No representation is made as to the relevance of the data to the repayment of the Series 2017 Obligations. The Series 2017 Obligations will be payable solely from the 2007 Rental Payments due under the 2017 Lease which will be secured by Excise Taxes as described under the heading "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2017 OBLIGATIONS." See "EXCISE TAXES."

TABLE B-1

Current Year Statistics (For Fiscal Year 2016/17)
City of Goodyear, Arizona

Total General Obligation Bonds Outstanding	$90,270,000	(a)
Total Senior Lien and Subordinate Lien Water and Sewer Revenue Obligations Outstanding	45,264,323	(b)
Total Public Improvement Corporation Obligations to Be Outstanding	114,784,323	(c)*
Total Improvement District Bonds Outstanding	38,110,000	(d)
Net Assessed Limited Property Value	710,534,322	(e)
Estimated Net Full Cash Value	7,485,029,772	(f)

(a) See "Statements of Bonds Outstanding – General Obligation Bonds to Be Outstanding" in this appendix.

(b) See "Statements of Bonds Outstanding – Water and Sewer Revenue Obligations Outstanding" in this appendix.

(c) See "Statements of Bonds Outstanding – Public Improvement Corporation Obligations to Be Outstanding" in this appendix.

(d) See "Statements of Bonds Outstanding – Improvement District Bonds Outstanding" in this appendix.

(e) Net of property exempt from taxation and reflects application of applicable assessment ratios.

(f) Estimated net full cash value is the total market value of the property less unsecured personal property and less estimated exempt property within the City, as projected by the Arizona Department of Revenue, Division of Property and Special Taxes.

Source: *Property Tax Rates and Assessed Values*. Arizona Tax Research Association, *State and County 2016 Abstract of the Assessment Roll*, Arizona Department of Revenue and *Maricopa County 2016 Tax Levy*, Maricopa County Department of Finance.

* Subject to change.

Statements of Bonds Outstanding

TABLE B-2

General Obligation Bonds to Be Outstanding
City of Goodyear, Arizona

Series	Description	Original Amount	Maturity Dates	Principal Outstanding	
2007	Various Purpose	$36,750,000	7-1-08/26	$ 1,900,000	
2008	Various Purpose	44,540,000	7-1-09/37	2,675,000	
2009	Refunding	5,580,000	7-1-27/29	5,580,000	
2010	Various Purpose	5,815,000	7-1-20/30	5,815,000	(a)
2010	Refunding	4,610,000	7-1-23/30	4,610,000	
2012	Refunding	11,530,000	7-1-13/18	3,500,000	
2014	Refunding	15,865,000	7-1-14/20	11,215,000	
2016	Refunding	15,865,000	7-1-14/20	54,975,000	
Total General Obligation Bonds Outstanding				$90,270,000	

(a) These bonds were issued as taxable bonds under the Build America Bond program for which subsidy payments equal to 35% of the interest payments on such bonds are expected to be made by the federal government. Bonds issued under the Build America Bonds program have had such subsidy payments reduced by 6.9%, 6.8% and 7.3% for the federal Fiscal Years 2016/17, 2015/16 and 2014/15, respectively, due to sequestration reductions imposed by the federal government. Additional sequestration reductions or other reductions may be imposed by the federal government in future years. The City is required to pay the shortfall in the interest payments caused by the reduction.

TABLE B-3

Water and Sewer Revenue Obligations Outstanding
City of Goodyear, Arizona

Issue Series	Description	Original/ Revised Total Principal Amount	Maturity Dates	Principal Outstanding
1999	Refunding and Improvement Bonds	$ 3,335,000	7-1-99/18	$ 330,000
2009	Refunding	325,000	7-1-49	325,000
2009	WIFA Loan (a)	5,716,315	7-1-10/29	3,854,323
2010	Subordinate Lien Obligations	14,950,000	7-1-22/39	14,950,000
2011	Subordinate Lien Obligations	15,480,000	7-1-12/41	14,265,000
2016	Refunding and Subordinate Lien Obligations	11,540,000	7-1-17/45	11,540,000
Total Water and Sewer Revenue Obligations Outstanding				$45,264,323

(a) Represents the City’s 2009 financial obligations to the Arizona Water Infrastructure Finance Authority (“WIFA”), a State bond bank.

TABLE B-4

Public Improvement Corporation Obligations to Be Outstanding
City of Goodyear, Arizona

Series	Issue Description	Original Amount	Maturity Dates	Principal Outstanding
Excise Tax - Secured Obligations:				
2011A	Public Improvement Corporation Refunding	25,295,000	7-1-14/27	24,745,000
2011B	Public Improvement Corporation Refunding	1,515,000	7-1-18	1,515,000
2016A	Public Improvement Corporation Refunding	40,530,000	7-1-19/32	40,530,000
2016B	Public Improvement Corporation Refunding	31,165,000	7-1-17/31	31,165,000
Total Excise Tax - Secured Obligations Outstanding				$97,955,000
Annual Appropriation Obligations:				
2012A	Public Improvement Corporation, Tax-Exempt	9,390,000	6-15-23	6,096,088
2012B	Public Improvement Corporation, Taxable	1,110,000	6-15-23	733,235
Total Annual Appropriation Obligations Outstanding				$6,829,323
Total Public Improvement Corporation Obligations Outstanding				$104,784,323
Plus the Series 2017 Bonds				10,000,000 *
Total Public Improvement Corporation Obligations to Be Outstanding				$114,784,323 *

TABLE B-5

Improvement District Bonds Outstanding
City of Goodyear, Arizona

Issue Series	Description	Original Amount	Maturity Dates	Principal Outstanding
2007	Public Infrastructure	$47,165,000	1-1-10/32	$38,110,000
Total Improvement District Bonds Outstanding				$38,110,000

DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED INDEBTEDNESS

The Arizona Constitution provides that the general obligation bonded indebtedness for a municipality for general municipal purposes may not exceed six percent of the Net Assessed Limited Property Value of the taxable property in that municipality. In addition, an incorporated municipality may become indebted in an amount not exceeding an additional twenty percent of the Net Assessed Limited Property Value of the municipality for supplying such municipality with water, artificial light, or sewers, when the works for supplying such water, light, or sewers are or shall be owned and controlled by the municipality, and for the acquisition and development by the municipality of land or interests therein for open space preserves, parks, playgrounds and recreational facilities, public safety, law enforcement, fire and emergency services facilities and streets and transportation facilities. Current statutes require that Net Assessed Limited Property Value be used for such calculations.

TABLE B-6

Direct General Obligation Bonded Debt, Legal Limitation
And Unused General Obligation Bonding Capacity (a)
City of Goodyear, Arizona

General Municipal Purpose Bonds		Water, Light, Sewer, Open Space, Streets,Parks, Transportation and Public Safety Bonds	
Total 6% General Obligation Bonding Capacity	$52,272,330	Total 20% General Obligation Bonding Capacity	$174,241,100
Less 6% General Obligation Bonds Outstanding	(205,000)	Less 20% General Obligation Bonds Outstanding	(90,065,000)
Net 6% General Obligation Bonding Capacity	$52,067,330	Net 20% General Obligation Bonding Capacity	$84,176,100

* Subject to change.

(a) General obligation bonding capacity is calculated using the City's Fiscal Year 2016/17 Net Full Cash Assessed Value of $871,205,504.

TABLE B-7

Direct and Overlapping General Obligation Bonds Outstanding And to Be Outstanding City of Goodyear, Arizona

Overlapping Jurisdiction	General Obligation Bonded Debt (a)	Proportion Applicable to City of Goodyear (b) Approximate Percent	Net Debt Amount	
State of Arizona	None	1.26 %	None	
Maricopa County	None	1.97	None	
Maricopa County Community College District	$557,390,000	1.97	$10,980,583	
Western Maricopa Education Center District No. 402	71,220,000	5.35	3,810,270	
Liberty Elementary School District No. 25	17,035,000	57.89	9,861,562	
Avondale Elementary School District No. 44	32,990,000	83.13	27,424,587	
Littleton Elementary School District No. 65	19,140,000	0.03	5,742	
Litchfield Elementary School District No. 79	44,425,000	44.78	19,893,515	
Mobile Elementary School District No. 86	None	44.18	-	
Buckeye Union High School District No. 201	65,100,000	18.35	11,945,850	
Tolleson Union High School District No. 214	28,600,000	0.01	2,860	
Agua Fria Union High School District No. 216	60,520,000	56.96	34,472,192	
Wildflower Ranch Community Facilities District No. 1	625,000	100.00	625,000	
Wildflower Ranch Community Facilities District No. 2	845,000	100.00	845,000	
Community Facilities General District No. 1	9,435,000	100.00	9,435,000	
Community Facilities Utility District No. 1	38,890,000	100.00	38,890,000	
Estrella Mountain Ranch Community Facilities District	13,900,000	100.00	13,900,000	
Cottonflower Community Facilities District	2,045,000	100.00	2,045,000	
Centerra Community Facilities District	2,850,000	100.00	2,850,000	(c)
Cortina Community Facilities District	1,950,000	100.00	1,950,000	
Palm Valley Community Facilities District	6,475,000	100.00	6,475,000	(c)
City of Goodyear	90,270,000	100.00	90,270,000	
Total Direct and Overlapping General Obligation Bonded Debt Outstanding			$285,682,161	(c)

(a) Proportion applicable to the City is computed on the ratio of Net Assessed Limited Property Value for Fiscal Year 2016/17 of the portion of the overlapping jurisdiction lying within the City divided by the total Net Assessed Limited Property Value of such jurisdiction. Total may not add due to rounding.

(b) Does not include presently authorized but unissued general obligation bonds of such jurisdictions which may be issued in the future nor amounts which may be authorized at future elections. Additional bonds may be authorized by voters within such jurisdictions pursuant to future elections.

Does not include outstanding principal amount of certificates of participation, revenue obligations or loan obligations outstanding for the jurisdictions listed above. Does not include outstanding principal amounts of bonded debt payable from special assessments as such debt is presently being paid from special assessments against affected property owners.

(c) Does not include Centerra Community Facilities District (City of Goodyear, Arizona) District General Obligation Refunding Bonds, Series 2016 and District General Obligation Project Bonds, Series 2016 or Palm Valley Community Facilities District (City of Goodyear, Arizona) General Obligation Refunding Bonds, Series 2016 anticipated to be issued in the second half of 2016.

TABLE B-8
Direct and Overlapping General Obligation Bonds Authorized but Unissued City of Goodyear, Arizona

Overlapping Jurisdiction	General Obligation Bonds Authorized but Unissued
Maricopa County Community College District	$ 3,000,000
Maricopa County Special Health Care District	829,000,000
Community Facilities General District No. 1	119,100,000
Community Facilities Utilities District No. 1	111,760,000
Wildflower Ranch Community Facilities District No. 1	600,000
Wildflower Ranch Community Facilities District No. 2	510,000
Estrella Mountain Ranch Community Facilities District	182,045,000
Cottonflower Community Facilities District	415,000
Centerra Community Facilities District	16,015,000
Cortina Community Facilities District	845,000
Palm Valley Community Facilities District	116,460,000
Buckeye Union High School District No. 201	21,000,000
Agua Fria Union High School District No. 216	55,000,000
Avondale Elementary School District No. 44	23,665,000
Liberty Elementary School District No. 40	2,475,000
Littleton Elementary School District No. 65	2,390,000
Litchfield Elementary School District 79	23,000,000
City of Goodyear	167,660,449

Source: The various entities.

Also does not include the obligation of the Central Arizona Water Conservation District ("CAWCD") to the United States Department of the Interior (the "Department of the Interior"), for repayment of certain capital costs for construction of the Central Arizona Project ("CAP"), a major reclamation project that has been substantially completed by the Department of the Interior. The obligation is evidenced by a master contract between CAWCD and the Department of the Interior. In April of 2003, the United States and CAWCD agreed to settle litigation over the amount of the construction cost repayment obligation, the amount of the respective obligations for payment of the operation, maintenance and replacement costs and the application of certain revenues and credits against such obligations and costs. Under the agreement, CAWCD's obligation for substantially all of the CAP features that have been constructed so far will be set at $1.646 billion, which amount assumes (but does not mandate) that the United States will acquire a total of 667,724 acre feet of CAP water for federal purposes. The United States will complete unfinished CAP construction work related to the water supply system and regulatory storage stages of CAP at no additional cost to CAWCD. Of the $1.646 billion repayment obligation, 73% will be interest bearing and the remaining 27% will be non-interest bearing. These percentages have been fixed for the entire 50-year repayment period, which commenced October l, 1993. CAWCD is a multi-county water conservation district having boundaries coterminous with the exterior boundaries of Arizona's Maricopa, Pima and Pinal Counties. It was formed for the express purpose of paying administrative costs and expenses of the CAP and to assist in the repayment to the United States of the CAP capital costs. Repayment will be made from a combination of power revenues, subcontract revenues (i.e., agreements with municipal, industrial and agricultural water users for delivery of CAP water) and a tax levy against all taxable property within CAWCD's boundaries. At the date of this Official Statement, the tax levy is limited to 14 cents per $100 of Net Assessed Limited Property Value, of which 14 cents is currently being levied. (See Arizona Revised Statutes, Sections 48-3715 and 48-3715.02.) There can be no assurance that such levy limit will not be increased or removed at any time during the life of the contract. Does not include the obligation of the Maricopa County Flood Control District to contribute $70 to $80 million to the CAP. The Maricopa County Flood Control District's sole source of revenue to pay the contribution will be ad valorem taxes on real property and improvements.

TABLE B-9

Direct and Overlapping General Obligation Bonded Debt Ratios City of Goodyear, Arizona

	Per Capita Bonded Debt Population Estimated at 77,776 (a)	2016/17 Net Assessed Limited Property Value	City's 2016/17 Estimated Full Cash Value
Net Direct General Obligation Bonds Outstanding and to be Outstanding	$1,161	12.71%	1.21%
Net Direct and Overlapping General Obligation Bonds Outstanding and to be Outstanding	$3,673	40.21%	3.82%

(a) Arizona Department of Administration, Office of Employment and Population Statistics. Estimate as of July 1, 2015 (published December 1, 2015).

TABLE B-10

Other Indebtedness
City of Goodyear, Arizona

The City currently has no other material indebtedness.

Source: The City.

CITY EMPLOYEE RETIREMENT SYSTEM

[BELOW SECTION TO BE UPDATED TO JUNE 30, 2016 DATA]

Retirement Plan

The City contributes to the pension plans described below. See also APPENDIX D, Note 13 for additional information. The City reported $3,840,976 of pension expenditures in the governmental funds and $472,935 in the proprietary funds related to all pension plans to which it contributes.

Government Accounting Standards Board adopted Statement Number 68, *Accounting and Financial Reporting for Pensions* ("GASB 68"), which requires cost-sharing employer's pension expense component include its proportionate share of the ASRS's pension expense, the net effect of annual changes in the employer's proportionate share and the annual differences between the employer's actual contributions and its proportionate share.

Arizona State Retirement System

City employees not covered by the other pension plans described after this section participate in the Arizona State Retirement System ("ASRS"). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on the ASRS website at www.azasrs.gov.

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.60 percent (11.48 percent for retirement and 0.12 percent for long-term disability) of the members' annual covered payroll, and the City was required by statute to contribute at the actuarially determined rate of 11.60 percent (10.89 percent for retirement, 0.59 percent for health insurance premium benefit, and 0.12 percent for long-term disability) of the members' annual covered payroll.

In addition for the current fiscal year, the City was required by statute to contribute at the actuarially determined rate of 9.57 percent (9.51 for retirement and 0.06 percent for long-term disability) of annual covered payroll of retired members who worked in positions that would typically be filled by an employee who contributes to ASRS.

The City's contributions for the current and two preceding years for the Arizona State Retirement System OPEB, all of which were equal to the required contributions, were as follows:

Fiscal Year Ended June 30	Health Benefit Supplement Fund	Long-Term Disability Fund
2015	$128,393	$26,114
2014	121,012	48,402
2013	117,973	45,830

Pension Liability. At June 30, 2015, the City reported a liability of $33,264,817 for its proportionate share of the ASRS net pension liability. The net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2013, to the measurement date of June 30, 2014. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2014 the City's proportion was .224814 percent, which was an increase of .007918 from its proportion measured as of June 30, 2013.

Pension Expense and Deferred Outflows/Inflows of Resources. For the year ended June 30, 2015, the City recognized pension expense for ASRS of $2,369,823 and reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,690,615	$ -
Net difference between projected and actual earnings on pension plan investments		5,816,990
Changes in proportion and differences between city contributions and proportionate share of contributions	915,190	
Contributions subsequent to the measurement date	2,369,823	
Total	$ 4,975,628	$ 5,816,990

The deferred outflows of resources related to ASRS pensions resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions will be recognized in pension expense as follows:

Year Ending June 30:	
2016	$ 321,289
2017	321,289
2018	1,114,360
Thereafter	1,454,247

Public Safety Personnel Retirement System

City public safety employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS). The PSPRS administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium benefit (OPEB) plan. A seven-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.

PSPRS issues publicly available financial reports that include their financial statements and required supplementary information. The reports are available on the PSPRS website at www.psprs.com.

On February 16, 2016, the Governor of Arizona signed into law pension overhaul legislation which makes several changes to the PSPRS. The changes, which only affect new hires that start after July 1, 2017, will require new public employees to serve until the age of 55 before being eligible for full pension benefits. The new legislation will also cap pension benefits for new hires and split the cost of pensions 50/50 between employers and new employees, offer new hires the option of a 100% defined contribution plan and tie cost-of-living adjustments to the regional Consumer Price Index, with a cap of 2% (the "COLA Provision"). The COLA Provision will also apply to current members of the PSPRS as approved by the voters at an election on May 17, 2016.

Contributions and Annual OPEB Cost. State statues establish the pension contribution requirements for active PSPRS employees. In accordance with state statues, annual actuarial valuations determine employer contribution requirements for PSPRS pension and health insurance premium benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contributions rates for the year ended June 30, 2015 are indicated below. Rates are a percentage of active members' annual covered payroll.

	PSPRS Police	PSPRS Fire
Active members - pension	11.05%	11.05%
City of Goodyear:		
Pension	17.08	12.62
Health insurance	0.96	0.70

For the agent plans, the contributions to the pension plan and annual OPEB cost and contributions for the health insurance premium benefit for the year ended June 30, 2015, were:

	PSPRS Police	PSPRS Fire
Pension:		
Contributions made	$1,173,949	$968,539
Health insurance premium benefit:		
Annual OPEB cost		
Contributions made	65,983	53,722

Pension Liability. At June 30, 2015, the City reported the following net pension liabilities:

PSPRS - Police	$ 9,549,374
PSPRS - Fire	2,130,691

The net pension liabilities were measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability as of June 30, 2014, reflects changes of benefit terms and actuarial assumptions for a court ruling for funding permanent benefit increases and decrease in the wage growth assumption.

Pension Expense. For the year ended June 30, 2015, the City recognized the following pension expense:

	Pension Expense
PSPRS - Police	$ 1,417,714
PSPRS - Fire	526,374

Pension Deferred Outflows/Inflows of Resources. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
PSPRS - Police:		
Differences between expected and actual experience	$ 224,868	$ -
Changes of assumptions or other inputs	1,509,711	
Net difference between projected and actual earnings on pension plan investments		762,263
Contributions subsequent to the measurement date	1,173,949	
Total	$2,908,528	$ 762,263

	Deferred Outflows of Resources	Deferred Inflows of Resources
PSPRS - Fire:		
Differences between expected and actual experience	$ -	$ 740,538
Changes of assumptions or other inputs	563,999	
Net difference between projected and actual earnings on pension plan investments		782,963
Contributions subsequent to the measurement date	968,539	
Total	$1,532,538	$1,523,501

The amounts reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (or an increase in the net pension asset) in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:	PSPRS Police	PSPRS Fire
2016	$ 81,128	$(213,134)
2017	81,128	(213,134)
2018	81,128	(213,134)
2019	81,128	(213,134)
2020	271,694	(17,393)
Thereafter	376,110	(89,573)

Agent Plan OPEB Trend Information. The table below presents the annual OPEB cost information for the health insurance premium benefit for the current and two preceding years:

Plan	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Obligation
PSPRS - Police - Health Insurance			
30-Jun-15	$65,983	100.00%	-
30-Jun-14	63,164	100.00%	-
30-Jun-13	50,038	100.00%	-
PSPRS - Fire - Health Insurance			
30-Jun-15	$53,722	100.00%	-
30-Jun-14	46,653	100.00%	-
30-Jun-13	50,038	100.00%	-

Agent Plan OPEB Funded Status. The following table represents the funded status of the health insurance premium benefit plans as of the most recent valuation date, June 30, 2014.

	PSPRS-Police	PSPRS-Fire
Actuarial value of assets	$ 638,160	$ 466,897
Actuarial accrued liability	732,738	634,667
Unfunded actuarial accrued liability (funding excess)	94,578	167,770
Funded ratio	87.1%	73.6%
Annual Covered Payroll	$6,630,426	$7,338,828
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll	1.43%	2.29%

Goodyear Volunteer and Reserve Firefighter Retirement Trust Plan

The Goodyear Volunteer and Reserve Firefighter Retirement Trust Plan is a single-employer defined contribution plan, which was approved by the City Council on February 27, 1990, under Arizona Revised Statutes Section 9-981. The authority to establish and amend benefit provisions rests with the City Council. In December 1999, the council revised the pension and benefit program for the part-time firefighters. The City discontinued using part-time firefighters as of December 1, 2005.

The assets of the plan are valued annually and the earnings or loss is distributed among the participant's accounts in the plan. The only expenditures being made from this fund are administration fees, benefit payments, and refunds to those firefighters who leave the service of the Fire Department before becoming eligible for pension benefits. The cost of administering the plan is financed from investment earnings. Retirement with full benefits can be at age fifty (50) or fifteen years of credited service. This plan was fully vested as of June 30, 2015. As of June 30, 2015, there were 6 eligible employees participating in the plan. The plan is administered by TD Ameritrade.

As of June 30, 2015, the plan's assets consisted of the following:

Cash and Cash Equivalents	$ 3,210
Investments	448,341
Interest Receivable	11
	$451,562

The plan has never had an actuarial valuation; however, benefits cannot exceed plan assets. The market values of mutual funds are determined from readily available market quotations. The fund uses the accrual basis of accounting. Contributions are recognized when earned; benefits and refunds are expensed when incurred. Separate audited financial statements of this employee benefit plan are not available.

Beginning with the Fiscal Year 2008/09, the City implemented GASB 45, Accounting by Employers for Other Post Employment Benefits (OPEB), which will require the City to report the actuarially accrued cost of post-employment benefits, other than pensions, such as health and life insurance for current and future retirees. GASB 45 will require that such benefits be recognized as current costs over the working lifetime of employees, and to the extent such costs are not prefunded, GASB 45 will require the reporting of such costs as a financial statement liability. Under GASB 45, the City will be required to commission an actuarial valuation of its OPEB costs every two years. City contributions to OPEB costs that are less than an actuarially determined annual required contribution will result in net OPEB costs, which under GASB 45 will be required to be recorded as a liability in the City's financial statements.

Other Post-Employment Benefits

The City does not currently offer any OPEB. The City employees, their spouses and survivors may, however, be eligible for certain retiree health care benefits under health care programs provided by the State. Employees on long-term disability and their spouses may also qualify for retiree health care benefits through the State. It is expected that substantially all the City employees that reach normal or early retirement age while working for the City will become eligible for such benefits. Currently, such retirees may obtain the health care benefits offered by the State by paying 100% of the applicable health care insurance premium; such plan is available to all retired participants.

SUMMARIES OF THE 2017 PRINCIPAL DOCUMENTS

[THIS PAGE INTENTIONALLY LEFT BLANK]

SUMMARIES OF THE 2017 PRINCIPAL DOCUMENTS

[THIS PAGE INTENTIONALLY LEFT BLANK]

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX E

FORMS OF APPROVING LEGAL OPINIONS

[THIS PAGE INTENTIONALLY LEFT BLANK]

[Closing Date]

City of Goodyear, Arizona

The City of Goodyear, Arizona
Public Improvement Corporation

FORM OF CONTINUING DISCLOSURE CERTIFICATE

[THIS PAGE INTENTIONALLY LEFT BLANK]

CITY OF GOODYEAR, ARIZONA
PUBLIC IMPROVEMENT CORPORATION

SUBORDINATE LIEN MUNICIPAL FACILITIES REVENUE BONDS,
TAXABLE SERIES 2017

CONTINUING DISCLOSURE CERTIFICATE
CUSIP BASE NO. 382512

EXHIBIT A
NOTICE OF FAILURE TO FILE

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX G

BOOK-ENTRY-ONLY SYSTEM

THE INFORMATION PROVIDED UNDER THIS SUBHEADING “BOOK-ENTRY-ONLY SYSTEM” HAS BEEN PROVIDED BY DTC. NO REPRESENTATION IS MADE BY THE CITY, BOND COUNSEL, THE FINANCIAL ADVISOR OR THE UNDERWRITER AS TO THE ACCURACY OR ADEQUACY OF SUCH INFORMATION PROVIDED BY DTC OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

DTC will act as securities depository for the Series 2017 Obligations. The Series 2017 Obligations will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered securities registered will be issued in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2016 Bond certificate will be issued for each maturity of Series 2017 Obligations, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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

Purchases of Series 2017 Obligations under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2017 Obligations on DTC’s records. The ownership interest of each actual purchaser of each Series 2017 Obligation (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2017 Obligations are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2017 Obligations, except in the event that use of the book-entry system for the Series 2017 Obligations is discontinued.

To facilitate subsequent transfers, all Series 2017 Obligations deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2017 Obligations with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2017 Obligations; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series 2017 Obligations are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2017 Obligations may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2017 Obligations, such as redemptions, tenders, defaults, and proposed amendments to the Series 2017 Obligation documents. For example, Beneficial Owners of Series 2017 Obligations may wish to ascertain that the nominee holding the Series 2017 Obligations for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar (initially U.S. Bank National Association) and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2017 Obligations unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2017 Obligations are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest on the Series 2017 Obligations will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Registrar on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest and redemption payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2017 Obligations at any time by giving reasonable notice to the City or the Registrar. Under such circumstances, in the event that a successor depository is not obtained, Series 2017 Obligation certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2017 Obligation certificates will be printed and delivered to DTC.

THE CITY WILL HAVE NO RESPONSIBILITY OR OBLIGATION TO DTC, DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT, OR ANY INDIRECT PARTICIPANT; (2) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE SERIES 2017 OBLIGATIONS UNDER THE SERIES 2017 Obligation RESOLUTION; (3) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES 2017 OBLIGATIONS; (4) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR REDEMPTION PREMIUM, IF ANY, OR INTEREST DUE WITH RESPECT TO THE SERIES 2017 OBLIGATIONS; (5) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE SERIES 2017 OBLIGATIONS; OR (6) ANY OTHER MATTERS.

So long as Cede & Co. is the registered owner of the Series 2017 Obligations, as nominee for DTC, references herein to "Owner" or registered owners of the Series 2017 Obligations (other than under the caption "TAX EXEMPTION") shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of such Series 2017 Obligations.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the City or the Registrar to DTC only.

[THIS PAGE INTENTIONALLY LEFT BLANK]