

Office of Director of Finance



1017 Middlefield Road  
Redwood City, California 94063  
Telephone: (650) 780-7070  
Fax: (650) 366-2447  
[www.redwoodcity.org](http://www.redwoodcity.org)

October 26, 2009

Bank of New York Mellon  
Attn: C.J. Vang  
550 Kearny Street, Suite 600  
San Francisco, CA 94108-2527

Re: Notice of Specified Event  
City of Redwood City Public Financing Authority Water Revenue Bonds Series 2007A

Dear Mr. Vang,

Pursuant to Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, please distribute a copy of the enclosed notice of specified event in connection with the above-referenced bonds to the MSRB for posting in its EMMA System and each Nationally Recognized Municipal Securities Information Repository that still accepts continuing disclosure information.

Regards,

A handwritten signature in black ink, appearing to read "BAP", is written over the typed name.

Brian Ponty  
Director of Finance

**S.E.C. RULE 15c2-12**  
**NOTICE OF SPECIFIED EVENT**

The City of Redwood City Public Financing Authority (the "Authority") hereby provides notice of the following event (the "Specified Event") related to the following bonds (the "Bonds"):

**Issue:**

City of Redwood City Public Financing Authority Water Revenue Bonds Series 2007A

CUSIP Numbers: See Exhibit A attached hereto.

**Specified Event:**

Standard and Poor's Ratings Services ("S&P") insured or wrapped rating is the higher of the guarantor's financial strength rating or any published underlying rating on the security. The underlying rating on the Bonds is "AA-". On June 5, 2008, S&P downgraded the insured ratings of the above-identified Bonds insured by Ambac Assurance Corporation ("Ambac") from "AAA" to "AA" due to a rating downgrade of the insurer financial strength of Ambac by S&P. On November 19, 2008, S&P further lowered the financial strength ratings of Ambac from "AA" to "A" due to a rating downgrade of the insurer financial strength of Ambac by S&P which has the effect of lowering the rating by S&P on the above-identified Bonds insured by Ambac to the underlying rating of "AA-".

Moody's Investors Service ("Moody's") insured or wrapped rating is the higher of the guarantor's financial strength rating or any published underlying rating on the security. The underlying rating on the Bonds is "A1". On June 19, 2008, Moody's Investors Service ("Moody's") downgraded the insured ratings of the above-identified Bonds insured by Moody's from "Aaa" to "Aa3," due to a rating downgrade of the insurer financial strength of Ambac by Moody's. On November 15, 2008 Moody's further lowered the financial strength ratings of Ambac from "Aa3" to "Baa1" which has the effect of lowering the rating by Moody's on the above-identified Bonds insured by Moody's to "A1".

On January 18, 2008 Fitch Ratings, Inc. ("Fitch") downgraded the insured ratings of the above-identified Bonds insured by Fitch from "AAA" to "AA," due to a rating downgrade of the insurer financial strength of Ambac by Fitch. On June 18, 2008 Ambac terminated its ratings contract with Fitch and asked Fitch to remove its ratings on Ambac. On June 26, 2008 Fitch withdrew its insured rating on the Bonds and assigned the Bonds their underlying Fitch rating of A+.

**Other Matters:**

This notice is provided solely for the purposes of the Continuing Disclosure Agreement, delivered by the Authority in connection with the issuance of the Bonds. The filing of this notice does not constitute or imply any representation: (i) that the foregoing Specified Event is material to investors; (ii) regarding any other financial, operating or other information about the Authority or the Bonds; or (iii) that no other circumstances or events have occurred or that no other information exists concerning the Authority, the Bonds or the Specified Event, which may have a bearing on the Authority's financial condition, the security for the Bonds, or an investor's decision to buy, sell, or hold the Bonds. No assurance can be given that these rating agencies will not take further action with respect to their ratings of Ambac that will adversely affect the ratings on the Bonds.

Dated: October 26, 2009

**City of Redwood City Public Financing Authority**

By:   
\_\_\_\_\_  
Brian Ponty  
Director of Finance

## EXHIBIT A

### City of Redwood City Public Financing Authority Water Revenue Bonds Series 2007A

<u>Maturity Date</u> <u>(February 1)</u>	<u>CUSIP</u> <u>Number</u>
2010	75788RCN8
2011	75788RCP3
2012	75788RCQ1
2013	75788RCR9
2014	75788RCS7
2015	75788RCT5
2016	75788RCU2
2017	75788RCV0
2018	75788RCW8
2019	75788RCX6
2020	75788RCY4
2021	75788RCZ1
2022	75788RDA5
2023	75788RDB3
2024	75788RDC1
2025	75788RDD9
2026	75788RDE7
2027	75788RDF4
2028	75788RDG2
2029	75788RDH0
2030	75788RDJ6
2032	75788RDK3
2035	75788RDL1

Note: The CUSIP numbers set forth above are provided for the convenience of holders of the Bonds. The Authority is not responsible for the accuracy or completeness of the CUSIP numbers.