

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

SDD- CFD#2002-01; Planning-Kaiser Commerce Center

August 6, 2002

**FROM: Emil A. Marzullo, Director
Special Districts Department**

**SUBJECT: ADOPT VARIOUS RESOLUTIONS FOR THE PROCEEDINGS TO FORM
COMMUNITY FACILITIES DISTRICT 2002-01 (KAISER COMMERCE CENTER)**

RECOMMENDATION: Acting as the governing body of County Service Area 70, conduct a public hearing to consider the formation of Community Facilities District No. 2002-01 (Kaiser Commerce Center) and adopt the following resolutions and approve the following ordinance:

- 1) Resolution No. 2002-227 approving the boundary map for Community Facilities District No.2002-01.
- 2) Resolution No. 2002-228 declaring the Board's intention to establish Community Facilities District 2002-01, to authorize the levy of a special tax and the issuance of special tax bonds.
- 3) Resolution No. 2002-229 declaring the intention to incur bonded indebtedness.
- 4) Resolution No. 2002-230 ordering the formation of Community Facilities District No. 2002-01.
- 5) Resolution No. 2002-231 deeming it necessary to incur bonded indebtedness.
- 6) Resolution No. 2002-232 calling for a special mailed ballot election.
- 7) Resolution No. 2002-233 declaring the results of the special mailed ballot election.
- 8) Read title only of proposed ordinance authorizing the levy of the special tax for fiscal year 2003-04 and each year thereafter; waive reading of entire text and continue to TUESDAY, AUGUST 13, 2002 AT 10:00A.M. for adoption.

**** MOTION (Mikels): To approve recommendations #1-8; require a Letter of Credit for bond reserve fund to be exercised in the event the Bank is downgraded.**

**** MOTION (Postmus/Aguiar): To approve recommendations #1-8. Carried unanimously with Supervisor Eaves absent.**

BACKGROUND INFORMATION: Pursuant to the Mello-Roos Community Facilities Act of 1982, the above actions are required to authorize proceedings to form a Community Facilities District. At the request of the Board of Supervisors, the Special Districts Department has been working with the Catellus Corporation to review and evaluate their request for the formation of a Community Facilities District to finance public improvements for the Kaiser Commerce Center project located on the old Kaiser Steel site. The project is to develop 422 acres for large-scale

cc: SDD- Marzullo
Treasurer/Tax Collector
Assessor
Planning
Bond Counsel c/o SDD
County Counsel – Blakemore
CAO - Thies
File

mo

Record of Action of the Board of Supervisors

**APPROVED RECOMMENDATIONS #1-7 AND
CONTINUE ORD TO TUE, 8/13/02 @ 10 A.M.**

**BOARD OF SUPERVISORS
COUNTY OF SAN BERNARDINO**

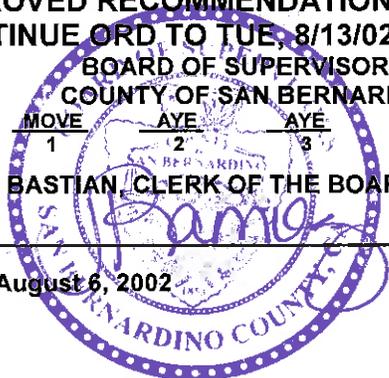
| | | | | | |
|--------|-------------|------------|------------|---------------|---------------|
| MOTION | <u>MOVE</u> | <u>AYE</u> | <u>AYE</u> | <u>SECOND</u> | <u>ABSENT</u> |
| | 1 | 2 | 3 | 4 | 5 |

J. RENEE BASTIAN, CLERK OF THE BOARD

BY _____

DATED: August 6, 2002

ITEM 082



**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

August 27, 2002

FROM: Emil A. Marzullo, Director
Special Districts Department

SUBJECT: ADOPT VARIOUS RESOLUTIONS FOR THE PROCEEDINGS TO FORM COMMUNITY FACILITIES DISTRICT 2002-01 (KAISER COMMERCE CENTER)

RECOMMENDATION: (Ordinance continued for adoption from 8/6/02 and 8/13/02)

Acting as the governing body of County Service Area 70, conduct a public hearing to consider the formation of Community Facilities District No. 2002-01 (Kaiser Commerce Center) and adopt the following ordinance:

- 8) Ordinance No. SD 02-08 authorizing the levy of the special tax for fiscal year 2003-04 and each year thereafter.

****ON AUGUST 27, 2002, THE BOARD OF SUPERVISORS ADOPTS ORDINANCE NO. SD 02-08, the same as is set forth in full in Special Districts Book #70, and is entitled:**

“AN ORDINANCE OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN BERNARDINO LEVYING A SPECIAL TAX FOR THE FISCAL YEAR 2002-2003 AND FOLLOWING FISCAL YEARS SOLELY WITHIN AND RELATING TO COMMUNITY FACILITIES DISTRICT NO. 2002-1 (KAISER COMMERCE CENTER)”

BACKGROUND INFORMATION: Pursuant to the Mello-Roos Community Facilities Act of 1982, the above actions are required to authorize proceedings to form a Community Facilities District. At the request of the Board of Supervisors, the Special Districts Department has been working with the Catellus Corporation to review and evaluate their request for the formation of a Community Facilities District to finance public improvements for the Kaiser Commerce Center project located on the old Kaiser Steel site. The project is to develop 422 acres for large-scale industrial, warehousing and commercial development. The estimated value of the project at completion is \$400,000,000. To date the developer has invested approximately \$100,000,000. The County will acquire various public improvements such as roadways; sewer and storm drain facilities, water transmission and distribution facilities and public utility improvements.

The amount to be financed to acquire the public improvements through Community Facilities District 2002-1 bonds is \$23,600,000 for a period of 30 years. The bonds will be paid by a special tax of \$3,756 per acre levied on all developed property within the CFD.

The requirements of the developer and the project are per the County's Infrastructure Financing Policy (# 02-13) that was updated and adopted by the Board of Supervisors in April of 2002. In

cc: Special Districts – Marzullo
Auditor- Sandra Kelly
Debt Advisory Commission c/o
Special Districts - Marzullo
County Counsel – Blakemore
CAO - Thies
File

mo

Record of Action of the Board of Supervisors

**APPROVED BOARD OF SUPERVISORS
COUNTY OF SAN BERNARDINO**

| | | | | | |
|--------|---------------|-------------|------------|------------|---------------|
| MOTION | <u>ABSENT</u> | <u>MOVE</u> | <u>AYE</u> | <u>AYE</u> | <u>SECOND</u> |
| | 1 | 2 | 3 | 4 | 5 |

J. RENEE BASTIAN, CLERK OF THE BOARD

BY _____

DATED: August 27, 2002

ITEM 080

RESOLUTION NO. 2002-227

RESOLUTION APPROVING BOUNDARY MAP

Community Facilities District No. 2002-1
(Kaiser Commerce Center)

On Tuesday, August 6, 2002, on motion of Supervisor Postmus, seconded by Supervisor Aguiar and carried, the following resolution is adopted by the Board of Supervisors of the County of San Bernardino, State of California.

WHEREAS, a proposed boundary map (the "Boundary Map") entitled "Proposed Boundaries of Community Facilities District No. 2002-1 (Kaiser Commerce Center), County of San Bernardino, State of California" has been filed with the Clerk of the Board of Supervisors (the "Clerk") of the County of San Bernardino (the "County"); and

WHEREAS, in connection with the intention of this Board of Supervisors (this "Board") to initiate proceedings under the Mello-Roos Community Facilities Act of 1982 (Sections 53311 and following, California Government Code) (the "Act"), this Board wishes to approve the Boundary Map as the means of describing the boundaries of the proposed Community Facilities District No. 2002-1 (Kaiser Commerce Center) ("CFD No. 2002-1"), including the designation of the two separate improvement areas thereon;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of San Bernardino as follows:

1. This Board approves the Boundary Map and adopts the boundaries shown thereon as describing the extent of the territory to be included in a proposed community facilities district to be known as "Community Facilities District No. 2002-1 (Kaiser Commerce Center), County of San Bernardino, State of California," together with the designation of the two separate improvement areas thereon, designated as "Improvement Area No. 1 and No. 2," respectively.

2. This Board finds that the Boundary Map is in the form and contains the matters prescribed by Section 3110 of the California Streets and Highways Code, as required by Section 53328.5 of the California Government Code.

3. This Board directs the Clerk to certify the adoption of this resolution on the face of the Boundary Map and to file a copy of thereof with the San Bernardino County Recorder for

placement in the Book of Maps of Assessment and Community Facilities Districts.

* * * *

PASSED AND ADOPTED by the Board of Supervisors of San Bernardino County, State of California, by the following vote:

AYES: SUPERVISORS: Postmus, Mikels, Hansberger, Aguiar

NOES: SUPERVISORS: None

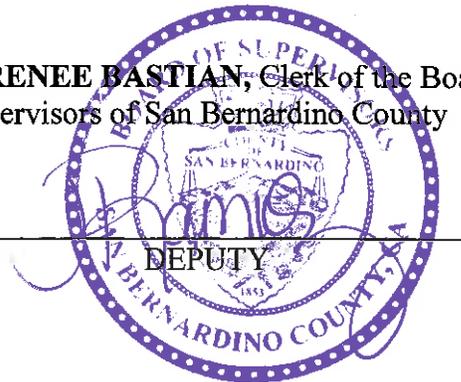
ABSENT: SUPERVISORS: Eaves

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BERNARDINO)

I, **J. RENEE BASTIAN**, Clerk of the Board of Supervisors of San Bernardino County, California, hereby certify the foregoing to be a full, true and correct copy of the record of the action as the same appears in the Official Minutes of said Board at it's meeting of August 6, 2002, Item #82, mo.

J. RENEE BASTIAN, Clerk of the Board of Supervisors of San Bernardino County

By _____



RESOLUTION NO. 2002-228

RESOLUTION OF INTENTION
TO ESTABLISH COMMUNITY FACILITIES DISTRICT
AND TO AUTHORIZE LEVY OF A SPECIAL TAX
AND ISSUANCE OF SPECIAL TAX BONDS

Community Facilities District No. 2002-1
(Kaiser Commerce Center)

On Tuesday, August 6, 2002 on motion of Supervisor Postmus, seconded by Supervisor Aguiar and carried, the following resolution is adopted by the Board of Supervisors of the County of San Bernardino, State of California.

WHEREAS, in response to a petition (the "Petition") submitted to this Board by CCG Ontario, LLC ("CCG Ontario"), as an owner of more than ten percent (10%) of the privately-owned real property shown on an exhibit map attached to the Petition, this Board proposes to establish a community facilities district within the County of San Bernardino (the "County") under the terms of the Mello-Roos Community Facilities Act of 1982 (the "Act"), and the boundaries of the proposed community facilities district are shown on the boundary map (the "Boundary Map") which is on file with the Clerk of this Board (the "Clerk") and which has been approved by resolution of this Board previously adopted this same date; and

WHEREAS, by said resolution approving the Boundary Map, this Board has established that the name of the proposed community facilities district shall be as requested by the Petition, namely "Community Facilities District No. 2002-1 (Kaiser Commerce Center), County of San Bernardino, State of California" ("CFD No. 2002-1"); and

WHEREAS, Section 53321 of the Act provides that legal proceedings for the establishment of a community facilities district pursuant to the Act shall be instituted by the adoption of a resolution of this Board declaring its intention as provided hereafter in this resolution;

NOW THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of San Bernardino as follows:

1. This Board hereby finds that any property included within the boundary of CFD No. 2002-1 which is currently in agricultural use will nonetheless be benefited by the proposed

facilities.

2. The types of public facilities proposed to be provided within or adjacent to CFD No. 2002-1 are set forth on the Exhibit A attached to this resolution.

3. The types of incidental expenses proposed to be incurred and authorized to be paid from the proceeds of the special tax or the proceeds of sale of special tax bonds to be issued upon the security of the special tax are set forth on Exhibit B attached to this resolution.

4. This Board hereby approves the establishment of the two separate improvement areas, as shown on the Boundary Map.

5. Except where funds are otherwise available, a special tax sufficient to pay for all such facilities and services, including but not limited to debt service on any special tax bonds issued by the County to finance the facilities specified on Exhibit A and related incidental expenses, will be annually levied within CFD No. 2002-1. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property within CFD No. 2002-1, and this lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien cancelled in accordance with law or until levy and collection of the tax by the County ceases. The two separate instruments, each entitled a "rate and method of apportionment of the special tax," one pertaining to Improvement Area No. 1 and the second pertaining to Improvement Area No. 2, are set forth in the Exhibits C-1 and C-2, respectively, attached to this Resolution.

5. Advances of funds or contributions of work in kind from any lawful source, specifically including but not limited to the County and owners of property within CFD No. 2002-1, may be reimbursed from bond proceeds or from special tax revenue or both to the extent of the lesser of the value or cost of the contribution, but any agreement to do so shall not constitute a debt or liability of the County.

6. It is presently contemplated that all of the facilities listed on Exhibit A will be constructed by or under contract to CCG Ontario or a related development entity (the "Developer") and that, upon completion of construction thereof, each such facility will be transferred to the appropriate agency in exchange for payment to the Developer from the proceeds of sale of special tax bonds (the "Bonds") of CFD No. 2002-1, in accordance with the terms, conditions and procedures set forth in an Acquisition and Disclosure Agreement to be

entered into between the Developer and the County.

7. On the basis of written consent and waiver forms submitted to and on file with the Clerk of this Board by or on behalf of 100% of the landowners within CFD No. 2002-1, this Board hereby sets Tuesday, August 6, 2002, at 10:00 a.m. or as soon thereafter as the matter may be heard, in the Board Chambers on the First Floor of the County Government Center, 385 North Arrowhead Avenue, San Bernardino, California, as the time and place for the public hearing on the establishment of CFD No. 2002-1. At the hearing, testimony of all interested persons and taxpayers for or against establishment of CFD No. 2002-1, the extent of CFD No. 2002-1, the proposed list of public facilities and services to be authorized, the two separate, proposed instruments entitled "rate and method of apportionment of the special tax (one pertaining to Improvement Area No. 1 and the second pertaining to Improvement Area No. 2), or any other aspect of the proposed CFD No. 2002-1 will be heard and protests will be considered from both registered voters, if any, residing within CFD No. 2002-1 and persons owning real property within CFD No. 2002-1. As provided by the Act, written protests by a majority of the registered voters, if any, but including a minimum of six registered voters, or by the owners of a majority in area of the land within the proposed CFD No. 2002-1 will constitute a "majority protest" and will require the suspension of proceedings for at least one year. Written protests must be filed with the Clerk at or before the time fixed for the hearing. If such majority protests are directed only against certain elements of the proposed improvements or proposed special tax, only those elements shall be deleted from the proceedings.

8. The Bonds shall be callable in accordance with the provisions of the Act and as more specifically to be set forth in any Resolution Authorizing Issuance of Bonds or any Trust Agreement, Indenture, or other instrument of like nature approved by such resolution and providing for such issuance.

9. It is anticipated that the special tax will be billed as a separate line item on the regular property tax bill of the County of San Bernardino. However, this Board reserves the right, under Section 53340, to utilize any method of collecting the special tax which it shall, from time to time, determine to be in the best interests of the County, including, but not limited to, direct billing by the County to the property owners and supplemental billing.

10. David Taussig & Associates, Inc., as special tax consultant to the County for CFD No. 2002-1, is directed to study CFD No. 2002-1 and to cause the preparation and filing of the

report required by Section 53321.5 of the Act (the "Hearing Report") prior to the time of the public hearing.

11. On the basis of the information set forth in that certain certificate entitled "Certificate re Landowners," on file with the Clerk of this Board, in the event that an election is held in these proceedings, it is the intention of this Board that the electors will be the landowner(s) within proposed CFD No. 2002-1 in accordance with Section 53326 of the Act.

12. This Board also intends to establish the annual appropriations limit of CFD No. 2002-1 at \$3.0 million for the 2002-2003 fiscal year.

13. This Board ratifies the publication by the Clerk of a notice of hearing, containing the matters specified by Section 53322 of the Act, one time in a newspaper in general circulation in the area of CFD No. 2002-1, said publication having occurred no later than August 6, 2002, said date being seven days prior to the date of the public hearing.

* * * *

EXHIBIT A
DESCRIPTION OF AUTHORIZED FACILITIES

Facilities and Facilities-Related Fees

Public Roadway Improvements

Sewer and Storm Drain Facilities

Water Transmission and Distribution Facilities

Public Utility Improvements

Fees to RDA for San Savaine Channel

EXHIBIT B

INCIDENTAL EXPENSES AND BOND ISSUANCE COSTS

It is anticipated that the following incidental expenses may be incurred in the proposed legal proceedings for formation of the CFD, implementation of the authorized public facilities project and related bond financing and will be payable from proceeds of the Bonds or directly from the proceeds of the special tax:

- Engineering, Architectural (Building and Landscape), Geotechnical and Environmental and Related, Miscellaneous Consulting services
- Survey, Staking and Contract Administration services
- Permits, Plan Check Fees, Entitlement Processing Fees and Expenses
- Special tax consultant services
- County staff review, oversight and administrative services
- Bond Counsel and Disclosure Counsel services
- Financial advisor services
- Special tax administrator services
- Appraiser/Market absorption consultant services
- Initial bond transfer agent, fiscal agent, registrar and paying agent services, and rebate calculation service set up charge
- Bond printing
- Official Statement printing and mailing
- Publishing, mailing and posting of notices
- Recording fees
- Underwriter's discount
- Bond reserve fund
- Capitalized interest
- Governmental notification and filing fees
- Credit enhancement costs
- Real estate acquisition costs
- Rating agency fees
- Continuing disclosure services

The expenses of certain recurring services pertaining to CFD No. 2002-1 may be included in each annual special tax levy. These include:

- Bond transfer agent, fiscal agent, registrar and paying agent services
- Rebate calculation services and periodic arbitrage rebate payments
- Special tax administrator services
- Other necessary consultant services incidental to the administration of CFD No. 2002-1
- Posting, collecting and enforcing payment of the special taxes, including but not limited to foreclosure attorneys' services
- Personnel and administrative services provided by County personnel

Continuing disclosure services

The foregoing enumeration shall not be regarded as exclusive and shall be deemed to include any other incidental expenses of a like nature which may be incurred from time to time with respect to CFD No. 2002-1.

RESOLUTION NO. 2002-229

RESOLUTION DECLARING INTENTION
TO INCUR BONDED INDEBTEDNESS

Community Facilities District No. 2002-1
(Kaiser Commerce Center)

On Tuesday August 6, 2002, on motion of Supervisor Postmus, seconded by Supervisor Aguiar and carried, the following resolution is adopted by the Board of Supervisors of the County of San Bernardino, State of California.

WHEREAS, this Board has, by resolution adopted this same date, declared its intention to take legal proceedings pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act") to establish a community facilities district to be known as "Community Facilities District No. 2002-1 (Kaiser Commerce Center), County of San Bernardino, State of California" ("CFD No. 2002-1"); and

WHEREAS, the purpose of establishing CFD No. 2002-1 is to provide financing, through issuance and sale of special tax bonds, for certain authorized facilities to be acquired, constructed and installed in connection with the development of property within CFD No. 2002-1, together with related incidental expenses of the legal proceedings for formation of CFD No. 2002-1 and costs of issuance of the special tax bonds; and

WHEREAS, pursuant to Section 53345 of the Act, whenever this Board deems it necessary for a community facilities district to incur a bonded indebtedness, it shall by resolution make the declarations set forth in this resolution;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of San Bernardino as follows:

1. In conformity with the requirements of Section 53345 of the Act, this Board declares and finds that in order to finance the acquisition, construction and installation of certain public facilities related to the development of property within CFD No. 2002-1, as stated in the resolution of intention to establish CFD No. 2002-1 adopted by this Board on this same date, it is necessary to incur a bonded indebtedness.

2. The purpose for which the proposed debt is to be incurred is to provide the funds necessary to pay the costs and expenses of acquiring, constructing and installing the authorized facilities described in Exhibit A of said resolution of intention and the related incidental expenses described in Exhibit B of said resolution of intention.

3. The maximum principal amount of the proposed debt is \$30.0 million.

4. This Board hereby sets Tuesday, August 6, at 10:00 a.m. or as soon thereafter as the matter may be heard, in the Board Chambers on the First Floor of the County Government Center, 385 North Arrowhead Avenue, San Bernardino, California, as the time and place for a public hearing by this Board on the proposed issuance of bonds. At that time and place any persons interested, including but not limited to any persons owning property in the proposed CFD No. 2002-1 and any registered voters living within the proposed CFD No. 2002-1, will be heard.

5. It is the intention of this Board that any such bonds, when issued, shall be made callable in accordance with the terms of the Act.

6. This Board ratifies the publication of a notice of hearing, containing the matters specified by Section 55346 of the Act, by the Clerk once in a newspaper in general circulation in the area of CFD No. 2002-1, said publication having occurred no later than July 23, 2002, said date being seven days before the date of the public hearing.

* * * *

PASSED AND ADOPTED by the Board of Supervisors of San Bernardino County, State of California, by the following vote:

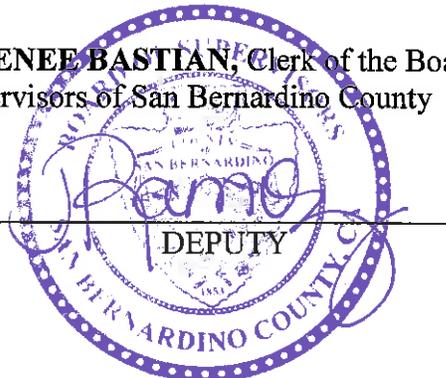
AYES: SUPERVISORS: Postmus, Mikels, Hansberger, Aguiar
NOES: SUPERVISORS: None
ABSENT: SUPERVISORS: Eaves

STATE OF CALIFORNIA)
) **ss.**
COUNTY OF SAN BERNARDINO)

I, **J. RENEE BASTIAN**, Clerk of the Board of Supervisors of San Bernardino County, California, hereby certify the foregoing to be a full, true and correct copy of the record of the action as the same appears in the Official Minutes of said Board at it's meeting of August 6, 2002, Item #82, mo.

J. RENEE BASTIAN, Clerk of the Board of Supervisors of San Bernardino County

By _____



RESOLUTION NO. 2002-230

RESOLUTION OF FORMATION

Community Facilities District No. 2002-1
(Kaiser Commerce Center)

On Tuesday, August 6, 2002, on motion of Supervisor Postmus, seconded by Supervisor Aguiar and carried, the following resolution is adopted by the Board of Supervisors of the County of San Bernardino, State of California.

WHEREAS, reference is made to the Resolution of Intention and the Resolution Declaring Intention to Incur Bonded Indebtedness, adopted by this Board of Supervisors (this "Board") this same date, for the description of the authorized public improvements and the financing contemplated by these proceedings; and

WHEREAS, at the time set for the public hearing on this date, this Board conducted the public hearing, and at the close of the public hearing, this Board determined that a majority protest under Section 53324 of the Government Code was not made at the hearing;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of San Bernardino as follows:

1. This Board finds and determines that the foregoing recitals are true and correct.
2. There is hereby formed a community facilities district by the County of San Bernardino (the "County") under the terms of the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Division 2 of Title 5 of the California Government Code, commencing with Section 53311. The boundaries of the community facilities district are shown on the boundary map approved by the Resolution Approving Boundary Map, adopted by this Board on this same date. A copy of the recorded boundary map is on file with the Clerk of this Board (the "Clerk").
3. The name of the community facilities district is "Community Facilities District No. 2002-1 (Kaiser Commerce Center), County of San Bernardino, State of California" ("CFD No. 2002-1").
4. The types of public facilities proposed to be financed by CFD No. 2002-1 are set forth on Exhibit A attached to this Resolution.

5. The types of incidental expenses proposed to be incurred are set forth on Exhibit B attached to this Resolution.

6. Except where funds are otherwise available, a special tax sufficient to pay for all such facilities, including repayment of bonds, will be annually levied within CFD No. 2002-1. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property within CFD No. 2002-1, and this lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien cancelled in accordance with law or until collection of the tax by the County ceases. The rate and method of apportionment of the special tax (the "Rate and Method of Apportionment") for Improvement Area No. 1 is set forth in Exhibit C-1, and the Rate and Method of Apportionment for Improvement Area No. 2 is set forth in Exhibit C-2, each attached to this resolution. The authority to levy the special tax in each improvement area for CFD No. 2002-1 will expire as provided in the respective Rate and Method of Apportionment.

7. Advances of funds or contributions of work in kind from any lawful source, specifically including owners of property within CFD No. 2002-1, may be reimbursed from bond proceeds or from special tax revenue or both to the extent of the lesser of the value or cost of the contribution, but any agreement to do so shall not constitute a debt or liability of the County.

8. The Director of the Special Districts Department of the County (the "Director") is designated as the person responsible for preparing or causing the preparation annually a current roll of special tax levy obligations by assessor's parcel number, and for responding to inquiries regarding estimates of future special tax levies. The County may contract with private consultants to provide this service in lieu of the Director.

9. Any bonds issued in these proceedings shall be callable in accordance with the provisions of the Act and as more specifically to be set forth in any resolution providing for the form, execution and issuance of bonds.

10. The special tax will be collected and enforced as a separate line item on the regular property tax bill. However, this Board reserves the right, under Section 53340, to utilize any method of collecting the special tax which it shall, from time to time, determine to be

in the best interests of the County, including, but not limited to, direct billing by the County to the property owners and supplemental billing.

11. This Board hereby establishes the annual appropriations limit of CFD No. 2002-1 at \$3.0 million for the 2002-2003 fiscal year.

12. Based upon the Certificate Re Landowners on file with the Clerk and presented to this Board, the qualified electors for the election to be held in these proceedings shall be the landowners owning land within CFD No. 2002-1. The election will be conducted as a mailed-ballot election, and this Board hereby designates the Clerk as the official to conduct the mailed-ballot election.

13. This Board now finds and determines that all proceedings up to and including the adoption of this Resolution were and are valid and in conformity with the requirements of the Mello-Roos Community Facilities Act. This determination and finding is final and conclusive in accordance with Government Code Section 53325.1(b).

14. This resolution shall take effect from and after its adoption.

*

*

*

PASSED AND ADOPTED by the Board of Supervisors of San Bernardino County, State of California, by the following vote:

AYES: SUPERVISORS: Postmus, Mikels, Hansberger, Aguiar
NOES: SUPERVISORS: None
ABSENT: SUPERVISORS: Eaves

STATE OF CALIFORNIA)

) **ss.**

COUNTY OF SAN BERNARDINO)

I, J. RENEE BASTIAN, Clerk of the Board of Supervisors of San Bernardino County, California, hereby certify the foregoing to be a full, true and correct copy of the record of the action as the same appears in the Official Minutes of said Board at it's meeting of August 6, 2002, Item #82, mo.

J. RENEE BASTIAN, Clerk of the Board of Supervisors of San Bernardino County

By _____



EXHIBIT A

DESCRIPTION OF AUTHORIZED FACILITIES

Facilities and Facilities-Related Fees

Public Roadway Improvements

Sewer and Storm Drain Facilities

Water Transmission and Distribution Facilities

Public Utility Improvements

Fees to RDA for San Savaine Channel

EXHIBIT B

INCIDENTAL EXPENSES AND BOND ISSUANCE COSTS

It is anticipated that the following incidental expenses may be incurred in the proposed financing:

- Engineering services
- Special tax consultant services
- County review and administration
- Bond counsel services
- Bond counsel expenses
- Disclosure counsel services
- Disclosure counsel expenses
- Independent financial advisor services
- Appraiser services
- Initial bond transfer agent, Trustee, registrar and paying agent fees
- Rebate calculation service set up charge
- Bond printing
- Offering memorandum printing and mailing costs
- Publishing, mailing and posting of notices
- Underwriter's discount
- Bond reserve fund
- Capitalized interest
- Bond syndication costs
- Governmental notification and filing costs
- Credit enhancement costs
- Real estate acquisition costs
- Rating agency fees
- Charges and fees of the County other than those waived

Certain annual or other unscheduled fees and costs may be included in each annual special tax levy. These include all items enumerated in the definition of the term "Administrative Expenses" in the Rate and Method of Apportionment of the Special Tax, together with the following:

- Annual bond transfer agent, Trustee, registrar and paying agent fees
- Annual rebate calculation costs
- Special tax consultant costs
- Other necessary consultant costs
- Costs of posting and collecting the special taxes
- Personnel and Administrative costs of the County
- Arbitrage rebate
- Continuing disclosure
- Foreclosure Counsel fees and costs

The foregoing enumeration shall not be regarded as exclusive and shall be deemed to include any other incidental expenses of a like nature which may be incurred from time to time with respect to CFD No. 2002-1

EXHIBIT C

Rate and Method of Apportionment of Special Tax

RESOLUTION NO. 2002-231

RESOLUTION DEEMING IT NECESSARY
TO INCUR BONDED INDEBTEDNESS

Community Facilities District No. 2002-1
(Kaiser Commerce Center)

On Tuesday, August 6, 2002, on motion of Supervisor Postmus, seconded by Supervisor Aguiar and carried, the following resolution is adopted by the Board of Supervisors of the County of San Bernardino, State of California.

WHEREAS, reference is made to the Resolution of Intention and the Resolution Declaring Intention to Incur Bonded Indebtedness, adopted by this Board of Supervisors (this "Board") this same date, for the description of the authorized public improvements and the financing contemplated by these proceedings; and

WHEREAS, at the time set for the public hearing by the Resolution of Intention, this Board conducted the public hearing, and at the close of the public hearing, this Board determined that a majority protest under Section 53324 of the Government Code was not made at the hearing; and

WHEREAS, at the conclusion of the public hearing, this Board adopted its Resolution of Formation pursuant to Section 53325.1 of the Government Code, thereby completing its proceedings for formation of proposed Community Facilities District No. 2002-1 (Kaiser Commerce Center) ("CFD No. 2002-1"); and

WHEREAS, in order to provide the financing of the authorized public improvements as contemplated, this Board has determined that it is necessary to incur bonded indebtedness;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of San Bernardino as follows:

1. This Board finds and determines that the foregoing recitals are true and correct.
2. This Board hereby deems it necessary to incur bonded indebtedness on behalf of Community Facilities District No. 2002-1 (Kaiser Commerce Center), County of San Bernardino, State of California (“CFD No. 2002-1”).
3. The purposes for which the proposed debt is to be incurred are to provide a portion of the funds necessary to finance the acquisition and construction of public improvements described on Exhibit A attached to the Resolution of Formation and to pay a portion of the incidental expenses proposed to be incurred as set forth on Exhibit B attached to the Resolution of Formation.
4. All Taxable Property (as said term is defined in each Rate and Method of Apportionment, attached as Exhibit C-1 and C-2, respectively, to the Resolution of Formation), as established from time to time within CFD No. 2002-1, shall be subject to the special tax obligation.
5. Subject to the limit of \$30.0 million on the aggregate principal amount of such bonded indebtedness and to the requirements of the Resolution of Formation and of this resolution, determinations respecting (a) the amount of bonded indebtedness to be incurred and (b) the amount and timing of each issuance of bonds shall be subject to the discretion of this Board. The refunding of one form of authorized debt by another shall not count against the limitation on the aggregate principal amount of such bonded indebtedness, as provided by Section 533362.7 of the Government Code.

6. The last maturity of any series of bonds issued under this authority shall be not greater than 40 years from the first maturity of any bonds of such series, and the last maturity of any bonds issued for CFD No. 2002-1 shall be not later than calendar year 2042.

7. The maximum rate of interest shall be determined by competitive sale or by negotiation at the time of bond sale, but in any case shall not exceed the maximum permitted legal rate as specified, from time to time, by Government Code Section 53531 or any similar controlling provision of law.

8. It is the intention of this Board that any bonds issued shall be made callable on terms to be specified in any resolution, indenture, trust agreement or fiscal agent agreement providing for the form, execution and issuance of bonds, in accordance with the terms of the Mello-Roos Community Facilities Act of 1982 (the "Act").

9. The question of the authorization to issue the bonds described herein shall be submitted to the qualified electors, being the landowners owning land within CFD No. 2002-1, at the special mailed-ballot election expected to be called and held this same date as authorized by written waiver and consent of 100% of such landowners.

10. The ballot language of the ballot measure and the manner of conducting the election shall be established by the resolution to be adopted by this Board calling the special election as required by the Act.

11. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the Board of Supervisors of San Bernardino County, State of California, by the following vote:

AYES: SUPERVISORS: Postmus, Mikels, Hansberger, Aguiar

NOES: SUPERVISORS: None

ABSENT: SUPERVISORS: Eaves

STATE OF CALIFORNIA)

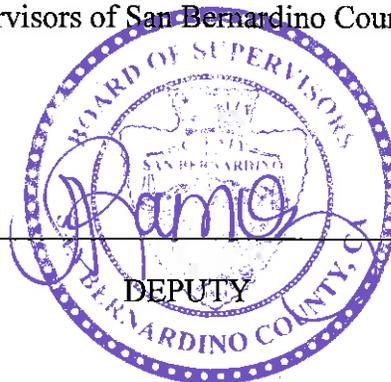
) **ss.**

COUNTY OF SAN BERNARDINO)

I, J. RENEE BASTIAN, Clerk of the Board of Supervisors of San Bernardino County, California, hereby certify the foregoing to be a full, true and correct copy of the record of the action as the same appears in the Official Minutes of said Board at it's meeting of August 6, 2002, Item #82, mo.

J. RENEE BASTIAN, Clerk of the Board of Supervisors of San Bernardino County

By _____



RESOLUTION NO. 2002-232

RESOLUTION CALLING SPECIAL MAILED-BALLOT ELECTION

Community Facilities District No. 2002-1
(Kaiser Commerce Center)

On Tuesday, August 13, 2002, on motion of Supervisor Postmus, seconded by Supervisor Aguiar and carried, the following resolution is adopted by the Board of Supervisors of the County of San Bernardino, State of California.

WHEREAS, reference is made to the Resolution of Intention, adopted by this Board of Supervisors (this "Board") adopted on August 6, 2002, for the description of the authorized public facilities (the "Improvements") and incidental expenses and the financing contemplated by these proceedings; and

WHEREAS, on August 6, 2002, at the time set for the public hearing by the Resolution of Intention, this Board conducted the public hearing, and at the close of the public hearing this Board determined that a majority protest under Section 53324 of the Government Code was not made at the hearing; and

WHEREAS, at the conclusion of the public hearing, this Board adopted its Resolution of Formation pursuant to Section 53325.1 of the Government Code, thereby completing its proceedings for formation of proposed Community Facilities District No. 2002-1 ("CFD No. 2002-1"); and

WHEREAS, this Board has determined that, in order to provide the financing of the authorized public facilities as contemplated, it is necessary to incur bonded indebtedness, and this Board has adopted its Resolution Deeming it Necessary to Incur Bonded Indebtedness; and

WHEREAS, in order to proceed with the levy of the special tax and establishment of an appropriations limitation for CFD No. 2002-1, as provided by the Resolution of Formation, and with the incurring of bonded indebtedness as provided by the Resolution Deeming it Necessary to Incur Bonded Indebtedness, the three matters must be submitted to an election of the qualified electors of CFD No. 2002-1; and

WHEREAS, the three ballot questions just described may be combined into a single ballot measure pursuant to Section 53353.5 of the Government Code, as provided in the form of special election ballot attached hereto as Exhibit A and by this reference incorporated herein; and

WHEREAS, a Certificate Re Landowners has been filed with the Clerk of this Board (the "Clerk"), certifying that at no time during the ninety days preceding the close of the protest hearing on August 6, 2002, were there ever twelve or more persons registered to vote within the territory of CFD No. 2002-1, with the result that, pursuant to Section 53326 of the Government Code, the qualified electors of CFD No. 2002-1 for the proposed special election shall be the landowners of CFD No. 2002-1;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of San Bernardino as follows:

1. This Board finds and determines that the foregoing recitals are true and correct.
2. This Board accepts the Certificate Re Landowners heretofore filed in these proceedings and finds, in accordance therewith, that there presently are, and at all times during the ninety days just past there have been fewer than twelve registered voters residing within the boundaries of CFD No. 2002-1. Accordingly, under Section 53326 of the Government Code, the

qualified electors of CFD No. 2002-1 for the proposed special election shall be the landowners of CFD No. 2002-1.

3. This Board further finds and determines that the landowners of record owning property within CFD No. 2002-1 are those persons set forth in the attachment to the Certificate Re Landowners (the "Ownership List") and that the Ownership List correctly sets forth the amount of property owned by such landowner, the number of votes to which such landowner is entitled pursuant to said Section 53326 being said number of acres rounded up to the nearest whole integer.

4. This Board further finds and determines that an authorized representative of each of said landowners has filed with the Clerk (a) the special election ballot pertaining to such landowner's property and (b) a waiver and consent, by which the time limits and related requirements respecting preparation and distribution of election materials are waived.

5. Pursuant to Sections 53326 and 53351 of the Government Code, this Board hereby calls an election, to be held and conducted forthwith upon adoption of this resolution, and sets this same date as the election date. Pursuant to Section 53326 of the Government Code, the election shall be conducted by mailed ballot; provided that personal service of the ballots is permitted under the terms of the waiver and consent on file with the Clerk and shall therefore be permitted and ratified. The action of the Clerk in having made personal service of the ballots, in the form of Exhibit A, to each of said landowners is hereby ratified.

6. The measure to be submitted to the qualified electors of CFD No. 2002-1 shall be as set forth in Exhibit A.

7. The Clerk, having received each of the eligible ballots prior to adoption of this resolution, shall immediately close the election and declare the results to this Board.

8. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the Board of Supervisors of San Bernardino County, State of California, by the following vote:

AYES: SUPERVISORS: Postmus, Mikels, Hansberger, Aguiar
NOES: SUPERVISORS: None
ABSENT: SUPERVISORS: Eaves

STATE OF CALIFORNIA)

) **ss.**

COUNTY OF SAN BERNARDINO)

I, **J. RENEE BASTIAN**, Clerk of the Board of Supervisors of San Bernardino County, California, hereby certify the foregoing to be a full, true and correct copy of the record of the action as the same appears in the Official Minutes of said Board at its meeting of August 6, 2002, Item #82, mo.

J. RENEE BASTIAN, Clerk of the Board of Supervisors of San Bernardino County

By _____

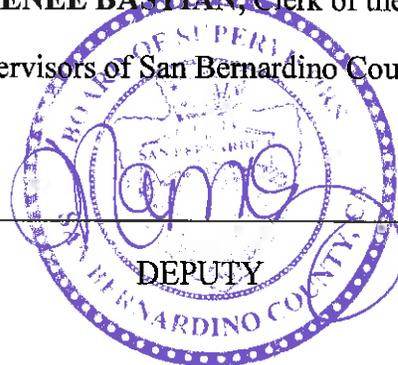


EXHIBIT A

(Form of Special Election Ballot)

COUNTY OF SAN BERNARDINO
COMMUNITY FACILITIES DISTRICT NO. 2002-1
(KAISER COMMERCE CENTER)

SPECIAL ELECTION BALLOT

(Mailed-Ballot Election)

This ballot is for the use of the authorized representative of the following owner of land within the County of San Bernardino Community Facilities District No. 2002-1 ("CFD No. 2002-1"):

| <u>Name of Landowner</u> | <u>Number of Acres Owned</u> | <u>Total Votes</u> |
|--------------------------|------------------------------|--------------------|
|--------------------------|------------------------------|--------------------|

[Insert Information Here for Specific Landowner]

According to the provisions of the Mello-Roos Community Facilities Act of 1982, and resolutions of the Board of Supervisors (the "Board") of the County of San Bernardino (the "County"), the above-named landowner is entitled to cast the number of votes shown above under the heading "Total Votes," representing the total votes for the property owned by said landowner.

In order to be counted, this ballot must be executed and certified below and be returned to the Clerk of the Board, either by mail or in person, prior to 10:00 a.m. on August 30, 2002 (the "Election Date"), or as soon thereafter as the matter of the special election for CFD No. 2002-1 shall be considered by the Board at its meeting on said date, to:

Clerk of the Board of Supervisors
County of San Bernardino
385 North Arrowhead
San Bernardino, CA 94215

Mailing on the Election Date will not be sufficient. The ballot must be physically received by the Clerk prior to the deadline in order to be counted.

AN "X" OR OTHER MARK WILL CAST ALL VOTES ASSIGNED TO THIS BALLOT.

BALLOT MEASURE

Shall the Board of Supervisors of the County of San Bernardino be authorized to issue up to \$30.0 million in bonds or other debt obligations of its Community Facilities District No. 2002-1 ("CFD No. 2002-1"), levy a special tax, and finance public facilities and incidental expenses by and through its CFD No. 2002-1, all as specified in its resolutions pertaining thereto, adopted on the Election Date; and shall the appropriations limit for CFD 2002-1 for fiscal year 2002-2003 be established at \$3.0 million in accordance therewith?

MARK "YES" OR "NO"
WITH AN "X":

YES

NO

Certification for Special Election Ballot

The undersigned is the authorized representative of the above-named landowner and is the person legally authorized and entitled to cast this ballot on behalf of the above-named landowner.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on August ____, 2002.

Signature

Print Name

RESOLUTION NO. 2002-233

RESOLUTION DECLARING ELECTION RESULTS

Community Facilities District No. 2002-1
(Kaiser Commerce Center)

On Tuesday, August 6, 2002, on motion of Supervisor Postmus, seconded by Supervisor Aguiar and carried, the following resolution is adopted by the Board of Supervisors of San Bernardino County, State of California.

WHEREAS, on August 6, 2002, at the time set for the public hearing in the matter of Community Facilities District No. 2002-1 (Kaiser Commerce Center) ("CFD No. 2002-1") by its Resolution of Intention, this Board of Supervisors (this "Board"), this Board conducted the public hearing, and at the close of the public hearing, this Board determined that a majority protest under Section 53324 of the Government Code was not made at the hearing; and

WHEREAS, at the conclusion of the public hearing, this Board adopted its Resolution of Formation pursuant to Section 53325.1 of the Government Code, thereby completing its proceedings for formation of CFD No. 2002-1; and

WHEREAS, this Board has determined that, in order to provide the financing of the authorized public improvements of CFD No. 2002-1 as contemplated, it is necessary to incur bonded indebtedness, and this Board has accordingly adopted its Resolution Deeming it Necessary to Incur Bonded Indebtedness with respect to CFD No. 2002-1; and

WHEREAS, in order to proceed with the levy of the special tax and establishment of an appropriations limitation for CFD No. 2002-1, as provided by the Resolution of Formation, and with the incurring of bonded indebtedness as provided by the Resolution Deeming it Necessary to Incur Bonded Indebtedness, the three matters must be submitted to an election of the qualified electors of CFD No. 2002-1; and

WHEREAS, by separate resolution adopted by this Board on this same date, the special mailed-ballot election has been called for this date;

WHEREAS, by said resolution calling the special mailed-ballot election, the three ballot questions just described were combined into a single ballot measure pursuant to Section 53353.5

of the Government Code, as provided in the form of special election ballot attached thereto as Exhibit A; and

WHEREAS, a Certificate of Clerk re Receipt of Property Owner Waiver and Consent Forms and Ballots and Declaring Election Results, dated August 6, 2002 (the "Clerk's Certificate"), executed by the Clerk of this Board (the "Clerk"), has been filed with this Board, certifying that a completed ballot has been returned to the Clerk for each landowner-voter eligible to cast a ballot in said special, with all votes cast as "Yes" votes in favor of the ballot measure, and further certifying on said basis that the special mailed-ballot election was closed; and

WHEREAS, this Board has received, reviewed and hereby accepts the Clerk's Certificate and wishes by this resolution to declare the results of the special mailed-ballot election;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of San Bernardino as follows:

1. This Board finds and determines that the foregoing recitals are true and correct.
2. This Board hereby finds and determines and declares that the ballot measure submitted to the qualified electors of CFD No. 2002-1 has been passed and approved by those qualified electors in accordance with Sections 53328(a) and 53355 of the Government Code.
3. This Board hereby authorizes and directs the Clerk to cause the preparation and recordation with the County Recorder of the County of San Bernardino of a notice of special tax lien in accordance with the provisions of Section 3114.5 of the Streets and Highways Code and Section 53328.3 of the Government Code. Said notice shall be recorded in said County Recorder's office within fifteen days of today's date.
4. This resolution shall take effect from and after its adoption.

*

*

*

PASSED AND ADOPTED by the Board of Supervisors of San Bernardino County, State of California, by the following vote:

AYES: SUPERVISORS: Postmus, Mikels, Hansberger, Aguiar

NOES: SUPERVISORS: None

ABSENT: SUPERVISORS: Eaves

STATE OF CALIFORNIA)

) **ss.**

COUNTY OF SAN BERNARDINO)

I, J. RENEE BASTIAN, Clerk of the Board of Supervisors of San Bernardino County, California, hereby certify the foregoing to be a full, true and correct copy of the record of the action as the same appears in the Official Minutes of said Board at it's meeting of August 6, 2002, Item #82, mo.

J. RENEE BASTIAN, Clerk of the Board of Supervisors of San Bernardino County

By _____

