

City of Lancaster Community Facilities District No. 91-2 FRAMEWORK

SUMMARY

The following table shows formation proceeding information and applicable bond issue information for the District:

Formation and Bond Issue Information	
Resolution of Intention to Establish	91-60
Date of Resolution of Intention to Establish	April 1, 1991
Resolution of Formation of the District	91-120
Date of Resolution of Formation of the District	June 3, 1991
Resolution of Bond Issuance	91-257
Date of Resolution of Bond Issuance	November 4, 1991
Date of Bond Issue (Dated Date)	October 1, 1991
Date of Refunding Bonds (Dated Date)	March 1, 1999
Final Maturity	October 1, 2016
Authorized Debt Amount	\$9,000,000.00
Amount of Bond Issue (Original)	\$9,000,000.00
Amount of Bond Issue (Refunding)	\$8,900,000.00
Interest Rate Range	4-6%
Bond Call Notice	30 days
Redemption Premium	0-2%
Foreclosure Covenant	120 Days, 5%
County Fund Number	186.86

SYNTHESIS OF PROCEEDINGS

The Mello-Roos Community Facilities Act ("Act") of 1982 came about as a response to the lack of adequate financing for public capital facilities and services in the post-Proposition 13 era. State Legislators Mello and Roos sponsored this Bill, which was enacted into law by the California Legislature and is now Sections 53311 through 53363 of the California Government Code. The Act authorizes a local governmental agency, such as a school district or city, to form a Community Facilities District ("CFD") within a defined set of boundaries for the purposes of providing public facilities and services. A CFD is formed for financing purposes only, and is governed by the agency that formed it.

The City of Lancaster formed CFD No. 91-1 on June 3, 1991 for the purposes of financing the acquisition and construction of public improvements in the District. Following the public hearings and elections, the qualified electors within the CFD authorized the CFD to incur bonded indebtedness in an amount not to exceed

\$9,000,000 and approved the Rate and Method of Apportionment of the Special Taxes. The Rate and Method of Apportionment sets forth the methodology for determining both the annual levy of Special Taxes and the applicable maximum tax. Bonds in the amount of \$9,000,000 were issued and refunded through the issuance of the 1999 Special Tax Refunding Bonds in the amount of \$8,900,000.

BOUNDARIES

The District includes substantially all of the land comprising the Lancaster Business Park-Phase III. The Lancaster Business Park-Phase III is approximately 160 acres in size on predominantly flat terrain and is located within the southern portion of the City.

THE BONDS

The 1999 Special Tax Refunding Bonds were issued in the form of serial and term Bonds. Interest is to be paid semiannually on April 1 and October 1 of each year, commencing on October 1, 1999. Principal payments shall be made annually on October 1, commencing October 1, 1999.

Redemption – 1999 Special Tax Refunding Bonds

The Bonds maturing on or before October 1, 2008, are not subject to optional redemption prior to maturity. The Bonds maturing on October 1, 2016 may be redeemed at the option of the District on October 1, 2008, or on any interest payment date thereafter at the following redemption prices.

OPTIONAL REDEMPTION DATE	PRICE
October 1, 2008 and March 1, 2009	102.0 %
October 1, 2009 and March 1, 2010	101.0 %
October 1, 2010 and thereafter	100.0 %

The Term Bonds maturing on October 1, 2016 are subject to mandatory redemption.

Sinking Fund Redemption Date (October 1)	Principal Amount To Be Redeemed
2009	\$520,000
2010	\$555,000
2011	\$590,000
2012	\$625,000
2013	\$665,000
2014	\$705,000
2015	\$750,000
2016	\$795,000

COVENANT FOR JUDICIAL FORECLOSURE

The District has covenanted for the benefit of the Bondholders that it will determine or cause to be determined, no later than 60 days following the end of each Fiscal Year, whether or not any owners of property within the District are delinquent in the payment of Special Taxes and, if such delinquencies exist, the District will order and cause to be commenced no later than 120 days following such determination and thereafter diligently prosecute, an action in the superior court to foreclose the lien of any Special Taxes or installment thereof not paid when due. The District shall not be required to order the commencement of foreclosure proceedings if (i) the total Special Tax delinquency in the District for such Fiscal Year is less than 5% of the total Special Tax levied in such Fiscal Year and (ii) the Reserve Account remains at the Reserve Requirement

FINANCED FACILITIES

The CFD provided financing for the acquisition and construction of public improvements in the District, including certain streets, storm drains, water mains, fire hydrants, sewer mains, sidewalks, street lighting and flood control channel and related work. All of the “back-bone” public infrastructure improvements have been completed in the District.

SHEET 1 OF 1 SHEET

PROPOSED BOUNDARIES COMMUNITY FACILITIES DISTRICT

95-684364
91 624464

NO. 91-2
CITY OF LANCASTER
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

READ IN THE OFFICE OF THE CITY CLERK OF
CITY OF LANCASTER
Richard K. Boyle
CITY CLERK
CITY OF LANCASTER

FILED THIS 15th DAY OF 1951
COUNTY OF LOS ANGELES
BY CLERK OF SUPERIOR COURT
AND COUNTY FACILITIES DISTRICT IN THE OFFICE OF
THE COUNTY RECORDER COUNTY OF LOS ANGELES STATE
OF CALIFORNIA.

I HEREBY CERTIFY THAT THE VOTERS WHO REGISTERED THE PROPOSED
BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 91-2 OF THE
CITY OF LANCASTER, CALIFORNIA, IN THE CITY CLERK'S OFFICE
ON THE 15th DAY OF 1951, WERE QUALIFIED TO VOTE IN THE
ELECTION OF 1950.
Richard K. Boyle
CITY CLERK
CITY OF LANCASTER

MAP 10 MET FILED
AT OFFICE OF
CITY CLERK
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BY
DATE
BY
DATE
A. J. Gaudin
CITY CLERK

LEGEND
COUNTY BOUNDARY
COUNTY OF LOS ANGELES
DISTRICT BOUNDARY
FUTURE STREETS

EXISTING ABBEVILLE PARCEL BEING AFFECTED

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