

**Before the Board of Directors for the
East Garrison Public Financing Authority
County of Monterey, State of California**

Resolution No: 06-148

Resolution Calling Special Mailed-Ballot)
Election - Community Facilities District No.)
2006-1 (East Garrison Project).)

WHEREAS, reference is made to the Resolution of Intention and the Resolution Declaring Intention to Incur Bonded Indebtedness, each adopted by this Board of Directors of the East Garrison Public Financing Authority (this "Board") on May 16, 2006, for the preliminary scope of the authorized public facilities, incidental expenses and financing contemplated by these proceedings; and

WHEREAS, on June 20, 2006, at the time set for the public hearing, the public hearing was conducted, 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 (the "Resolution of Formation") pursuant to Section 53325.1 of the Government Code, thereby completing its proceedings for formation of Community Facilities District No. 2006-1 ("CFD No. 2006-1"); 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 (the "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. 2006-1, 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. 2006-1; 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 Secretary of the Authority (the "Secretary") and submitted to this Board, certifying that at no time during the ninety days preceding the close of the protest hearing on June 20, 2006, were there ever twelve or more persons registered to vote within the territory of CFD No. 2006-1, with the result that, pursuant to Section 53326 of the Government Code, the qualified electors of CFD No. 2006-1 for the proposed special election shall be the landowners of CFD No. 2006-1.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the East Garrison Public Financing Authority as follows:

1. This Board finds and determines that the foregoing recitals are true and correct.
2. This Board accepts the Certificate Re Registered Voters and 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. 2006-1. Accordingly, under Section 53326 of the Government Code, the qualified electors of CFD No. 2006-1 for the proposed special election shall be the landowners of CFD No. 2006-1.
3. This Board further finds and determines that the landowners of record owning property within CFD No. 2006-1 are the landowners set forth in the attachment to the Certificate Re Landowners and that the attachment correctly sets forth the amount of property owned by each such landowner, the number of votes to which each 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 such landowner has filed with the Secretary an executed "Waiver and Consent Respecting Conduct of Mailed-Ballot, Landowner Election," 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 June 20, 2006, 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 respective ballots to authorized representatives of each landowner-voter is permitted under the terms of the waiver and consent on file with the Secretary and shall therefore be permitted. The Secretary is directed to either mail or make

personal service of the ballots, in the form of the attached Exhibit A, to an authorized representative of each landowner-voter.

6. The measure to be submitted to the qualified electors of CFD No. 2006-1 shall be as set forth in the form of special election ballot attached hereto as Exhibit A.

7. The Secretary shall accept personal or mail delivery of the completed ballots at any time up to 1:30 p.m. on June 20, 2006; provided that upon receipt of all eligible ballots, the Secretary 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 on this 20th day of June 2006, by the following vote, to-wit:

AYES: Supervisors Calcagno, Lindley, and Smith

NOES: None

ABSENT: Supervisors Armenta and Potter

I, Lew C. Bauman, Secretary of the East Garrison Public Financing Authority, County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof Minute Book 73, on June 20, 2006.

Dated: June 29, 2006

Lew C. Bauman, Clerk of the Board of Supervisors,
County of Monterey, State of California.

By


Darlene Drain, Deputy

EAST GARRISON PUBLIC FINANCING AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2006-1
(EAST GARRISON PROJECT)

SPECIAL ELECTION BALLOT

(Mailed-Ballot Election)

This ballot is for the use of the authorized representative of the following purchaser of land within the East Garrison Public Financing Authority Community Facilities District No. 2006-1 ("CFD No. 2006-1"):

<u>Name of Landowner</u>	<u>Number of Acres Owned</u>	<u>Total Votes</u>
East Garrison Partners I, LLC	245.3 acres	1

According to the provisions of the Mello-Roos Community Facilities Act of 1982, and resolutions of the Governing Board (the "Board") of the East Garrison Public Financing Authority (the "Authority"), the above-named land purchaser is entitled to cast the number of votes shown above under the heading "Total Votes," representing the total votes for the property being purchased owned by said purchaser.

In order to be counted, this ballot must be executed and certified below and be returned to the Authority Secretary, either by mail or in person, prior to 1:30 p.m. on June 20, 2006, or as soon thereafter as the matter of the special election for CFD No. 2000-1 shall be considered by the Board at its meeting on said date, to:

Secretary, East Garrison Public Financing Authority
c/o Clerk to the Board of Supervisors
County of Monterey
168 West Alisal Street
Salinas, CA 93901

Mailing by June 20 will not be sufficient. The ballot must be physically received by the Authority Secretary 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 Governing Board of the East Garrison Public Financing Authority be authorized to issue up to \$27.0 million in bonds or other debt obligations of its Community Facilities District No. 2006-1 ("CFD No. 2006-1"), levy a special tax, and finance public facilities and incidental expenses by and through its CFD No. 2006-1, all as specified in its resolutions pertaining thereto, adopted on June 20, 2006; and shall the appropriations limit for CFD 2006-1 be established at \$5.0 million for the first fiscal year in which the special tax is levied, all in accordance therewith?

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

YES

NO

Certification for Special Election Ballot

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

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 _____, 2006.

Signature

Print Name

EAST GARRISON PUBLIC FINANCING AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2006-1
(EAST GARRISON PROJECT)

**WAIVER AND CONSENT
RESPECTING CONDUCT OF MAILED-BALLOT, LANDOWNER ELECTION**

The undersigned is an authorized representative of East Garrison Partners I, LLC, which is under contract to purchase land (the "Subject Property") within the East Garrison Public Financing Authority Community Facilities District No. 2006-1 (East Garrison Project) ("CFD No. 2006-1").

The undersigned certifies that he is a legally entitled and authorized to cast the ballots for the above-named purchaser in the mailed-ballot election to be conducted on June 20, 2006, or thereafter, within CFD No. 2006-1 to determine, among other things, whether the Subject Property shall be subject to special tax pursuant to the Mello-Roos Community Facilities Act of 1982 (Sections 53311 and following, California Government Code) (the "Act"), as provided by Exhibit C of the Resolution of Formation for CFD No. 2006-1, as adopted by the Governing Board of the East Garrison Public Financing Authority (the "Authority").

The undersigned, on behalf of the above-named purchaser, hereby waives (and, with respect to Item 4, agrees to) each of the following:

1. any and all minimum time periods relative to the mailed-ballot election to be held pursuant to Government Code Section 53326(a) of the Act;
2. the preparation and distribution of an impartial analysis of the ballot measure, as well as arguments in favor and against, under the authority of Government Code Section 53327(b) of the Act;
3. the requirement to publish notice of the election under Government Code Section 53352 of the Act;
4. the requirements regarding the time to mail ballots to the qualified electors under Elections Code Section 4101, and agrees to accept either mailed service or personal service of the ballot;
5. the requirements regarding identification envelopes for the return of mailed ballots contained in Government Code Section 53327.5 of the Act; and
6. any and all defects in notice or procedure in the formation of CFD No. 2006-1, conduct of the election, whether known or unknown (other than the right to have ballots accurately counted).

EAST GARRISON PUBLIC FINANCING AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2006-1
(EAST GARRISON PROJECT)

**WAIVER AND CONSENT
RESPECTING CONDUCT OF MAILED-BALLOT, LANDOWNER ELECTION**

(Page 2)

The undersigned expressly acknowledges, represents and states that the election is being expedited by the Authority, pursuant to this waiver and consent, at the particular instance and request of the above-named purchaser.

The undersigned further expressly acknowledges that the actions of the Governing Board of the Authority with respect to formation of CFD No. 2006-1, conduct of the subject special election and levy of the special tax shall become effective only upon the transfer of title to the Subject Property to East Garrison Partners I, LLC.

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 June 20, 2006.

EAST GARRISON PARTNERS I, LLC,
a California limited liability company

By: _____
Signature

Print Name

EAST GARRISON PUBLIC FINANCING AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2006-1
(EAST GARRISON PROJECT)

CERTIFICATE RE REGISTERED VOTERS AND LAND PURCHASERS

I, _____, the undersigned, hereby certify and declare:

I have reviewed and am therefore familiar with the map entitled "Proposed Boundaries, Community Facilities District No. 2006-1 (East Garrison Project), East Garrison Public Financing Authority, County of Monterey, State of California" ("CFD No. 2006-1") and the property situated within the boundary set forth thereon (the "Subject Property"). I am familiar with the fact that, as confirmed by records of the Monterey County Recorder and with the exception of a portion of the Subject Property which is committed for use as public right-of-way and will therefore be exempt from the special tax of CFD No. 2006-1, the Subject Property is under contract to be acquired by East Garrison Partners I, LLC, a California limited liability company.

I am familiar with and have personally inspected the Subject Property, which is undeveloped land, and I have noted that there are no dwellings thereon that might serve as habitation for registered voters. Based on the foregoing, I have determined that at no time during the ninety days preceding the date hereof were there ever any persons registered to vote within the territory of the Subject Property.

According to information in my possession respecting the Subject Property which I believe to be correct, the Subject Property being acquired by East Garrison Partners I, LLC, consists of 245.3 acres.

I certify the foregoing to be true and correct as of June 20, 2006.

By _____

EAST GARRISON PUBLIC FINANCING AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2006-1
(EAST GARRISON PROJECT)

**CERTIFICATE OF AUTHORITY SECRETARY
RE RECEIPT OF PROPERTY OWNER
WAIVER AND CONSENT FORM AND BALLOT AND
DECLARING ELECTION RESULTS**

I, Darlene Drain, Secretary of the East Garrison Public Financing Authority (the "Authority") hereby certify:

In connection with the special mailed-ballot election called by the Board of Directors of the East Garrison Public Financing Authority (the "Board") on this same date in the proceedings of the Board for the above-entitled community facilities district, I personally received (a) a signed and dated waiver and consent form and (b) a signed, dated and marked election ballot from _____, a person certifying that he is an authorized representative of East Garrison Partners I, LLC, a California limited liability company, the entity named as landowner in the Certificate Re Registered Voters and Landowners, dated June 20, 2006, signed by Mr. _____ and filed in these proceedings in connection with the Board actions scheduled to occur on that date. Copies of the completed waiver and consent form and the completed ballot received by me and on file in my office are attached hereto.

Following such receipt, I have personally, and in the presence of all persons present, reviewed the ballot to confirm that it was properly marked and signed, and I hereby certify the result of that count to be that the sole ballot cast was cast in favor of the measure.

Based upon the foregoing, all votes that were cast having been cast "Yes", in favor of the ballot measure, the measure has therefore passed.

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 June 20, 2006.

Darlene Drain, Secretary
East Garrison Public Financing Authority