



# CITY OF LONG BEACH

# H-2

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard 6<sup>th</sup> Floor • Long Beach, CA 90802 • (562) 570-6845 • Fax (562) 570-5836

August 5, 2008

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION

1. Receive supporting documentation into the record, and hold a public hearing to receive public comment.
2. Adopt a resolution affirming formation of City of Long Beach Community Facilities District No. 2007-2 (Belmont Shore), authorizing the levy of Special Tax within the CFD, preliminarily establishing an annual appropriations limit for the CFD, and resubmitting the special tax levy and establishment of the appropriations limit to qualified electors of the CFD.
3. Adopt a resolution affirming the determination of the necessity to incur bonded indebtedness for City of Long Beach Community Facilities District No. 2007-2 (Belmont Shore).
4. Adopt a resolution calling for a new special election within the CFD. (District 3)

## DISCUSSION

In 1988, the City Council formed the City of Long Beach Community Facilities District No. 1 (Belmont Shore) (CFD 1) to provide a means to finance parking improvements in the Belmont Shore area of the City. CFD 1 was authorized to levy a special tax on commercial property located within CFD 1, and the revenues from that special tax, along with revenues derived from parking meters in the Belmont Shore area, have been used to finance various parking and related improvements, as well as to pay debt service on parking meter revenue bonds issued by the City in 1993 to finance parking improvements in that area. The Parking Commission has identified an additional parking lot located at 189 Park Avenue that it would like the City to acquire and improve in the Belmont Shore area, and alley way improvements that need to be made to enhance parking in the area. CFD 1 does not have the authority to fund these new improvements. City Staff, working with various financial and legal consultants, have determined that the most efficient and economical way to provide funds for the new improvements would be for the City to form a new community facilities district (CFD) under the authority of the City's Special Tax Financing Improvement Law, with boundaries (that set forth the area to be taxed by the CFD) the same as those for CFD 1, and with maximum tax rates the same as for CFD 1, for the express purpose of financing the purchase of the parking lot, refinancing the 1993 bonds and allowing for possible future financing of additional parking improvements.

On November 13, 2007, the City Council adopted two resolutions of intention with respect to the formation of the new CFD. RES-07-1308 expressed the intention of the City Council to establish the new CFD No. 2007-2 (Belmont Shore), and approved the boundaries for the proposed CFD, determined the rate and method of apportionment of special taxes to be levied in the new CFD, and initiated proceedings to levy the special tax in the proposed CFD. RES-07-1309 declared the intention of the City Council for the CFD to have a maximum bonded indebtedness of \$5.8 million.

On December 11, 2007, the City Council held a public hearing regarding the CFD and, following the public hearing, the City Council adopted resolutions forming the CFD, determining the necessity to incur bonded indebtedness for the CFD, and calling for a special election of the owners of property in the CFD for March 3, 2008, with respect to the CFD. The election was concluded on March 3, 2008, and less than the then required two-thirds of the votes cast in the election were in favor of the ballot propositions.

Under the voting procedure in effect for the March 3, 2008 election, and as required by the City's Municipal Code in effect at that time, each owner of a parcel in the proposed CFD received one vote for each acre, or portion of an acre, of land in the CFD that they owned. This requirement resulted in those owning very small parcels having the same voting power as those with significantly larger parcels, or those who owned multiple small parcels that aggregated less than one acre. Thus, the owner of one small parcel that would have to pay only a small portion of the annual special tax in the proposed CFD had disproportionately larger voting power over those owners that would bear a significantly greater share of the annual special tax burden.

In order to remedy the unfair voting requirements, on May 13, 2008, the City Council adopted an ordinance which amended the Municipal Code to allow the City Council to authorize an alternative allocation of votes in CFD elections to better reflect the relative burden of CFD special taxes on the parcels to be included in a proposed CFD. Specifically, as amended by the ordinance, the Municipal Code now allows the City Council in situations where the City Council finds that such alternative method of voting is more reflective of the burden of the special tax to be levied in the proposed CFD, to provide that each landowner in a proposed CFD have a vote for each dollar of special tax that may be levied on such landowner's land to be included in the proposed CFD, based upon the proposed rate and method of apportionment of special tax for the proposed CFD, and the special taxes thereby to be levied in the first full fiscal year following formation of the proposed CFD.

Various property owners in the proposed CFD have requested that the City Council take action to bring the proposed Belmont Shore CFD back to a vote of the property owners to be included in the CFD, using the alternative voting procedure now allowed by the Municipal Code. In order to begin the process, on July 22, 2008, the City Council adopted RES-08-0080 affirming the prior resolutions of intention with respect to the formation of the CFD, affirming the approval of the boundaries for the CFD, the rate and method of apportionment of special taxes to be levied in the CFD and affirming the maximum bonded indebtedness for the CFD at \$5.8 million. The resolution affirming the prior resolutions of intention also called for a public hearing on August 5, 2008 regarding the formation of the CFD.

The Community Facilities District Report (Attachment A) describes the facilities proposed to be funded by the CFD and the 1993 bonds proposed to be refinanced by the CFD, as well as the proposed boundaries of the CFD and cost estimates.

If the Resolution Affirming Formation of the CFD is adopted, the CFD will be formed and the City Council will be authorized to levy special taxes for the CFD in accordance with the Rate and Method of Apportionment of Special Tax, as preliminarily approved by the resolution affirming the resolutions of intention to form the CFD, subject to the approval of the owners of land in the CFD at a new CFD election as described below. These special taxes will be levied on commercial property located in the CFD, and will be used to pay the debt service on bonds to be issued by the City for the CFD, or for costs of CFD authorized facilities directly. The special tax would be levied each fiscal year in an amount sufficient to pay all annual costs of the CFD, including any CFD bond debt service.

It is expected that the special taxes to be levied annually in the CFD will be at the same rate as those currently levied in CFD 1 (12¢ per commercial square foot of land), and that parking meter revenues from the Belmont Shore area in the amount of \$200,000 per fiscal year also will be used to assist in the payment of bonds to be issued for the new CFD. Once the new CFD is established, the City will take action to terminate the current CFD 1, so the property in the new CFD will only be subject to a single special tax levy for the new CFD. The current maximum special tax rate for CFD 1 is 66¢ per square foot of commercial land in CFD 1, and it is proposed that the new CFD have the same maximum special tax rate; however, it is contemplated that the initial bonded debt of the new CFD will only require the same 12¢ per commercial square foot of commercial land annual rate (in addition to \$200,000 of annual parking meter revenues) to service the bonds to be issued to finance the new parking lot and related improvements and to refinance the 1993 bonds.

By adopting the Resolution Affirming the Determination of the Necessity to Incur Indebtedness, the City Council affirms its determination that it is necessary to incur bonded indebtedness in the maximum aggregate principal amount of \$5,800,000 within the CFD. As specified in the proposed resolution, the bonds for the CFD will bear interest at rates not to exceed the maximum interest rate permitted by applicable law at the time of sale of the bonds. Further details on the proposed bond debt such as its form, execution and issuance, will be brought back to the City Council for approval at a later date as required by Long Beach Municipal Code 3.52.5619.

By the City Council adopting the Resolution Calling for a New Election, a new election with respect to the establishment of the CFD, the levy of the special tax in the CFD and the incurrence of bonded debt for the CFD will be held by mail ballot sent to the owners of property in the CFD, with ballots to be returned by 5:00 p.m. on October 6, 2008. If the election is favorable (two thirds or more of the votes cast in the election are in favor of the ballot measure), the City Council may declare the CFD to be officially formed, with the power to levy special taxes on commercial property in the CFD and to issue bonds for CFD authorized purposes. As now allowed by reason of the ordinance amending the Municipal Code, each landowner in the CFD will be entitled to one vote for each dollar of special tax that may be levied on such landowner's land to be included in the District, based upon the proposed rate and method of apportionment and manner of collection of special tax for the District, and the special taxes thereby to be levied in the first full fiscal year following

formation of the District. In the prior CFD election, the vote was weighted by acreage, with each landowner receiving one vote for each acre or portion of an acre owned in the CFD.

This item was reviewed by Assistant City Attorney Heather A. Mahood and Budget Management Officer Victoria Bell on July 15, 2008.

TIMING CONSIDERATIONS

City Council action on this item is requested on August 5, 2008, to support the activities and formation of the CFD so that the financing of the proposed parking improvements can occur in late 2008.

FISCAL IMPACT

There is no fiscal impact to the City associated with the requested action. All bond proceeds and revenue from the CFD will be collected in, and expended from, CFD trust accounts. All expenses related to the formation of the CFD will either be paid from the proceeds of bonds issued for the CFD or from amounts currently available in the Belmont Shore Parking Revenue Fund.

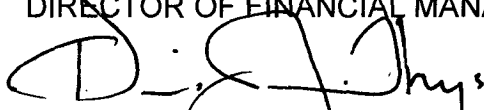
SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LORI ANN FARRELL  
DIRECTOR OF FINANCIAL MANAGEMENT/CFO



DENNIS J. THYS  
DIRECTOR OF COMMUNITY DEVELOPMENT

APPROVED:

  
PATRICK H. WEST  
CITY MANAGER

Attachments: Community Facilities District Report  
Revised CFD Boundary Map  
Three (3) Resolutions

C:\08-05-08 cT:\Council Letters\08-05-08 ccl - CFD 2007-2 Belmont Shore.doccl - CFD 2007-2 Belmont Shore.doc

**CITY OF LONG BEACH  
COMMUNITY FACILITIES DISTRICT NO. 2007-2  
(BELMONT SHORE)**

**COMMUNITY FACILITIES DISTRICT REPORT  
(August 5, 2008)**

**CONTENTS**

Introduction

- A. Description of Facilities and 1993 Bonds
- B. Proposed Boundaries of the Community Facilities District
- C. Cost Estimate

Exhibit A - Description of the Facilities and Services

Exhibit B - Cost Estimate

Exhibit C - Copy of Ordinance No. C-6219

**CITY OF LONG BEACH  
COMMUNITY FACILITIES DISTRICT NO. 2007-2  
(BELMONT SHORE)**

**INTRODUCTION.** The City Council (the "City Council") of the City of Long Beach (the "City") did, pursuant to the provisions of the Long Beach Special Tax Financing Improvement Law (the "Law"), on July 8, 2008, adopt a resolution entitled "A Resolution of the City Council of the City of Long Beach Affirming Resolutions of Intention Relating to the Proposed City of Long Beach Community Facilities District No. 2007-2 (Belmont Shore)" (the "Resolution Affirming Resolutions of Intention"). In the Resolution Affirming Resolutions of Intention, the City Council expressly approved the direction to prepare a written Community Facilities District Report (the "Report"), for the proposed City of Long Beach Community Facilities District No. 2007-2 (Belmont Shore) (the "District").

The Resolution Affirming Resolutions of Intention confirming the direction to prepare the Report contemplated that the Report would contain the following:

1. A brief description of the facilities proposed to be eligible to be financed by the District and of the 1993 Bonds to be repaid and defeased by the District; and
2. An estimate of the cost of providing the facilities and repaying and defeasing the 1993 Bonds, including the costs of any proposed new bond financing and any City administrative costs.

For particulars, reference is made to the Resolution Affirming Resolutions of Intention and to RES-07-1308, the Resolution of Intention to Form the District referenced therein, as previously adopted on November 13, 2007 by the City Council.

**NOW, THEREFORE,** I, the Director of Financial Management of the City of Long Beach, do hereby submit the following data:

**A. DESCRIPTION OF FACILITIES AND 1993 BONDS.** A general description of the facilities that the City Council has determined to be eligible to be funded by the District and of the 1993 Bonds to be repaid and defeased by the District is as shown in Exhibit "A" attached hereto and by this reference made a part hereof.

**B. PROPOSED BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT.** The proposed boundaries of the District are those properties and parcels on which special taxes may be levied to pay for the costs and expenses of the facilities and repaying bonded indebtedness the proceeds of which are used to finance the facilities and/or repay and defease the 1993 Bonds. The proposed boundaries of the District are described on the revised map of the District recorded on December 18, 2007, in Book 192 at Page 80 of Maps of Assessment and Community Facilities Districts in the office of the County Recorder for the County of Los Angeles.

**C. COST ESTIMATE.** The cost estimate for the District for the financing of the facilities and the repayment and defeasance of the 1993 Bonds is set forth in Exhibit "B" attached hereto and by this reference made a part hereof.

**D. ORDINANCE NO. C-6219.** Attached hereto as Exhibit "C" is a copy of Ordinance No. C-6219 adopted by the City Council on December 17, 1985, as referenced in Exhibit A hereto.

Dated: August 5, 2008

By: \_\_\_\_\_  
Director of Financial Management  
of the City of Long Beach

## EXHIBIT A

### CITY OF LONG BEACH COMMUNITY FACILITIES DISTRICT NO. 2007-2 (BELMONT SHORE)

#### DESCRIPTION OF FACILITIES ELIGIBLE TO BE FUNDED BY THE DISTRICT AND OF PRIOR BONDS TO BE REPAID AND DEFEASED BY THE DISTRICT

#### FACILITIES

The District shall be eligible to finance all or a portion of the costs of the following:

- The acquisition of land and construction of a parking lot of approximately 5800 square feet at 189 Park Avenue in the City of Long Beach, including but not limited to asphalt paving, construction of fencing and walls, the installation of signage, and any related costs of land acquisition, demolition, grading, relocation of utilities, design, construction, landscaping, architectural treatments, lighting, meter and other related costs and appurtenances.
- The resurfacing of alleyways that provide access to parking lots adjacent to and behind commercial businesses within the area depicted on Attachment A to Ordinance No. C-6219 adopted by the City Council of the City of Long Beach on December 17, 1985 (the "Belmont Shore Parking Meter Revenue Area"), including but not limited to the removal and replacement of the surface of the alleyways and related and appurtenant costs.
- The acquisition, construction and improvement of property to provide public parking spaces and related and appurtenant facilities and work, to make parking available to commercial properties within the Belmont Shore Parking Meter Revenue Area, including but not limited to surface parking lots, parking structures, ingress and egress areas (including adjacent alleyways) and other similar facilities, and including costs of land acquisition, demolition, grading, relocation of utilities, design, construction, landscaping, architectural treatments, signage, lighting, meter and other related costs and appurtenances.

#### PRIOR BONDS

The District shall be eligible to repay and defease the outstanding City of Long Beach 1993 Parking Meter Revenue Bonds.

#### OTHER

The District may also finance any of the following:

1. Bond related expenses, including underwriter's discount, appraisal and feasibility study costs, reserve fund, capitalized interest, financial advisor, special tax consultant, bond counsel, disclosure counsel and underwriter's counsel fees and expenses, official statement printing, and all other incidental expenses.



2. Administrative fees of the City and the Bond trustee or fiscal agent related to the District and any bonds issued for the District.

3. Reimbursement of costs related to the formation of the District advanced by the City, or any other party, as well as reimbursement of any costs advanced by the City or any other party, for facilities or other purposes or costs of the District.

**EXHIBIT B**  
**CITY OF LONG BEACH**  
**COMMUNITY FACILITIES DISTRICT NO. 2007-2**  
**(BELMONT SHORE)**

**COST ESTIMATE**

1. ACQUISITION & CONSTRUCTION OF FACILITIES	\$ 4,250,000
2. REPAYMENT AND DEFEASANCE OF 1993 BONDS	\$ 700,000
3. INCIDENTALS	
(a) Bond Reserve Fund	\$ 375,000
(b) Bond Discount/Underwriter Compensation	54,000
(c) Other Costs of Issuance	<u>90,000</u>
Subtotal	\$ <u>519,000</u>
Contingency	\$ <u>331,000</u>
TOTAL BOND AMOUNT NEEDED	\$ <u>5,800,000</u>

**EXHIBIT C**

**CITY OF LONG BEACH  
COMMUNITY FACILITIES DISTRICT NO. 2007-2  
(BELMONT SHORE)**

**COPY OF ORDINANCE NO. C-6219**

John R. Calhoun  
City Attorney of Long Beach  
333 West Ocean Boulevard  
Long Beach, California 90802  
Telephone (213) 590-6061

ORDINANCE NO. C- 6219

AN ORDINANCE OF THE CITY COUNCIL OF THE  
CITY OF LONG BEACH AMENDING ORDINANCE NO.  
C-6170, KNOWN AS THE CITY APPROPRIATIONS  
ORDINANCE, TO ESTABLISH THE BELMONT SHORE  
PARKING METER REVENUE FUND

The City Council of the City of Long Beach ordains  
as follows:

Section 1. That Section 3 of Ordinance No. C-6170,  
known as the City Appropriations Ordinance, is hereby amended  
by establishing the Belmont Shore Parking Meter Revenue Fund and  
adding said new fund to the other funds enumerated therein. Said  
Fund shall be a continuing fund and shall be for the purpose of  
accounting for revenues from parking meters located within that  
part of the Belmont Shore area of the City depicted on the map  
attached hereto as Attachment "A" and incorporated herein and  
made a part hereof by reference. Any expenditures from said  
Belmont Shore Parking Revenue Fund are hereby expressly limited  
to and shall be only authorized for the purposes of acquisition,  
construction, improvement, operation or maintenance (including  
all services and supplies) of City parking lots, parking  
facilities, or parking related equipment or fixtures located  
within or which are for the benefit of that area of Belmont Shore  
delineated in Attachment "A".

Sec. 2. The City Clerk shall certify to the passage of  
this ordinance by the City Council of the City of Long Beach and

1 cause the same to be posted in three conspicuous places in the  
2 City of Long Beach, and it shall take effect on the 31st day after  
3 its final passage.

4 I hereby certify that the foregoing ordinance was  
5 adopted by the City Council of the City of Long Beach, at its  
6 meeting of December 17, 1985 by the following vote:

7 Ayes: Councilmembers: Wilder, Edgerton, Hall, Clark,  
8 Sato, Tuttle, Harwood, Kell.

9  
10 Noes: Councilmembers: None.

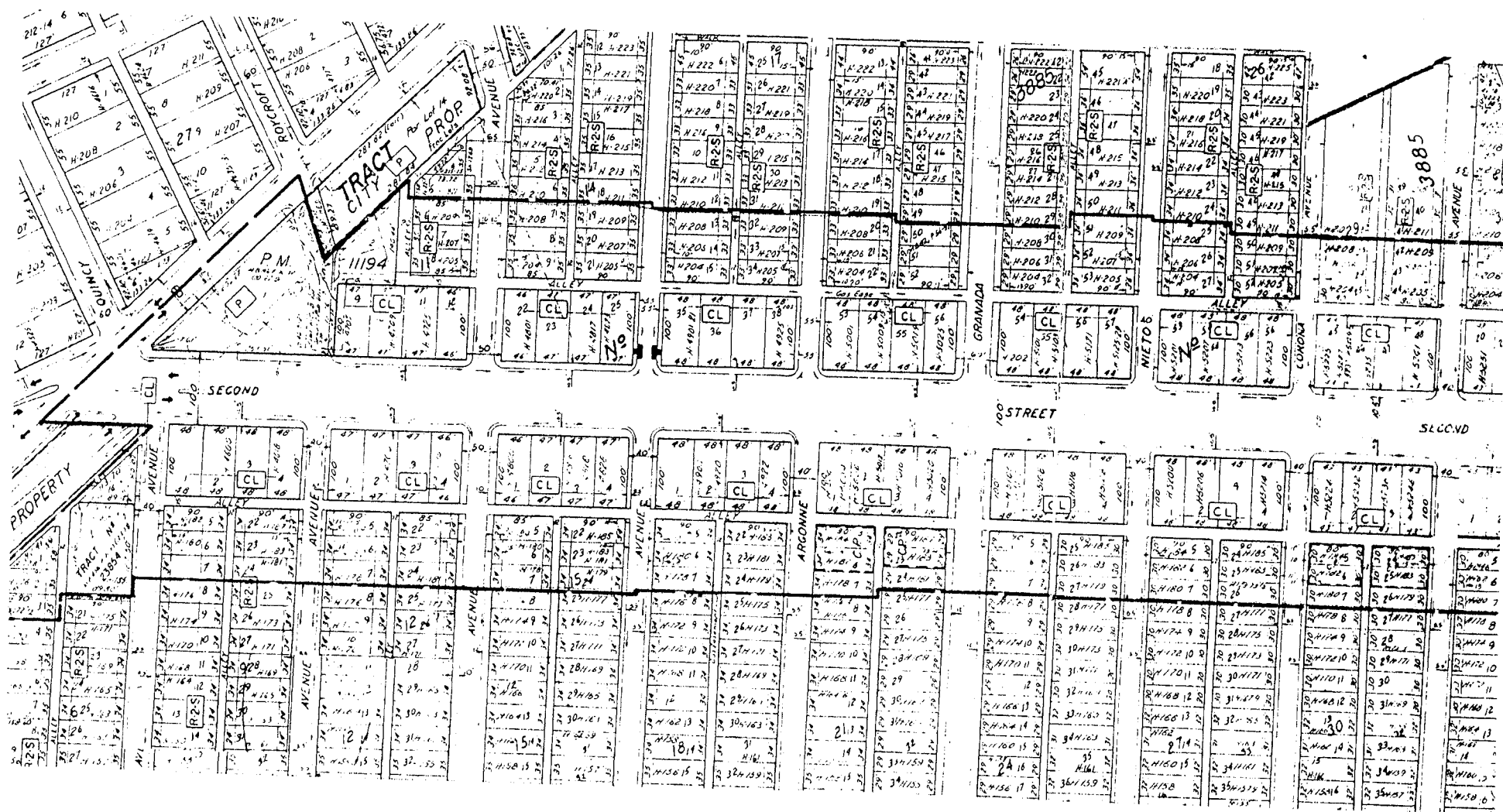
11 Absent: Councilmembers: Wilson.

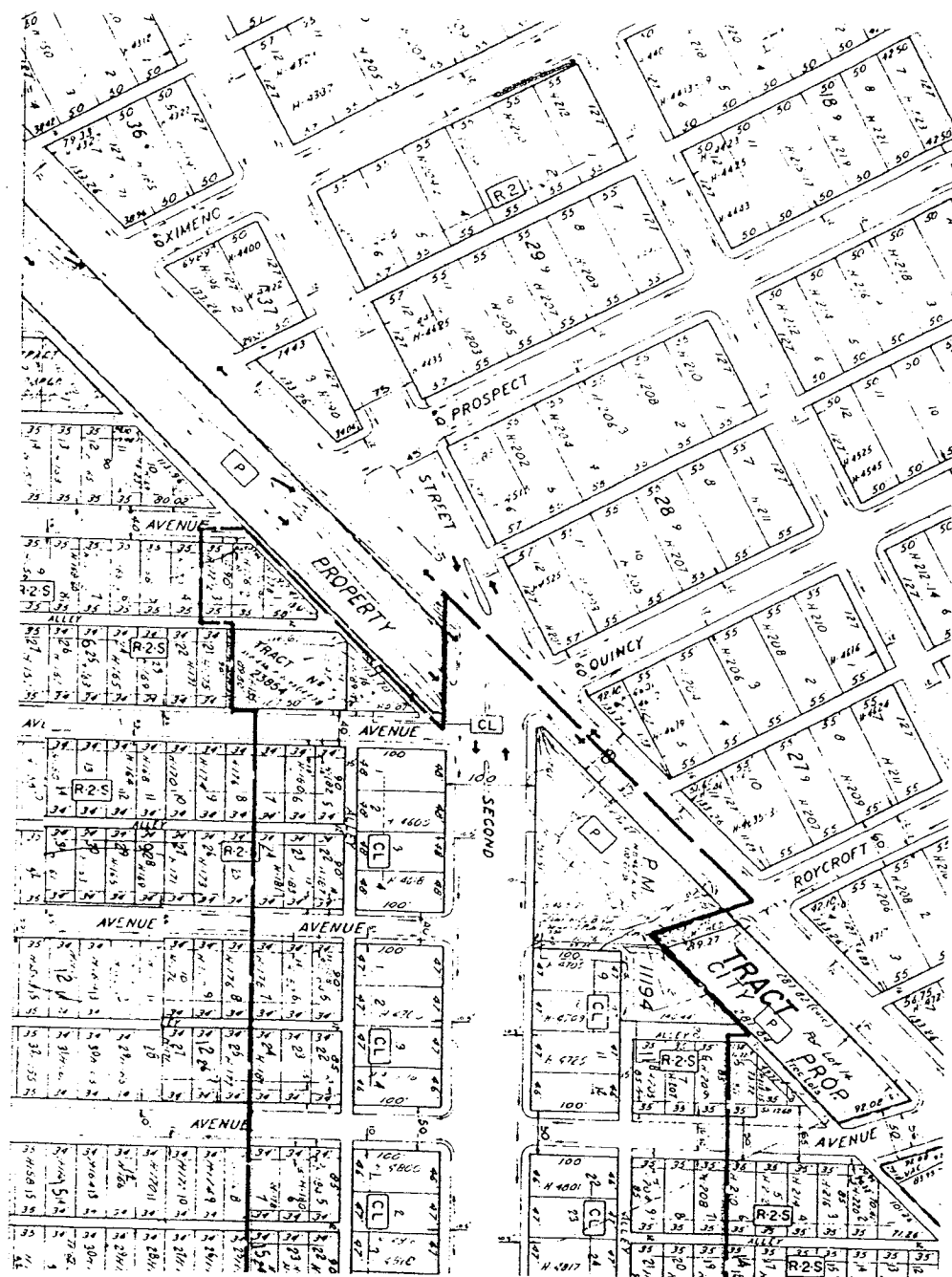
12 Shelba Powell  
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John R. Calhoun  
City Attorney of Long Beach  
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Telephone (213) 590-6061





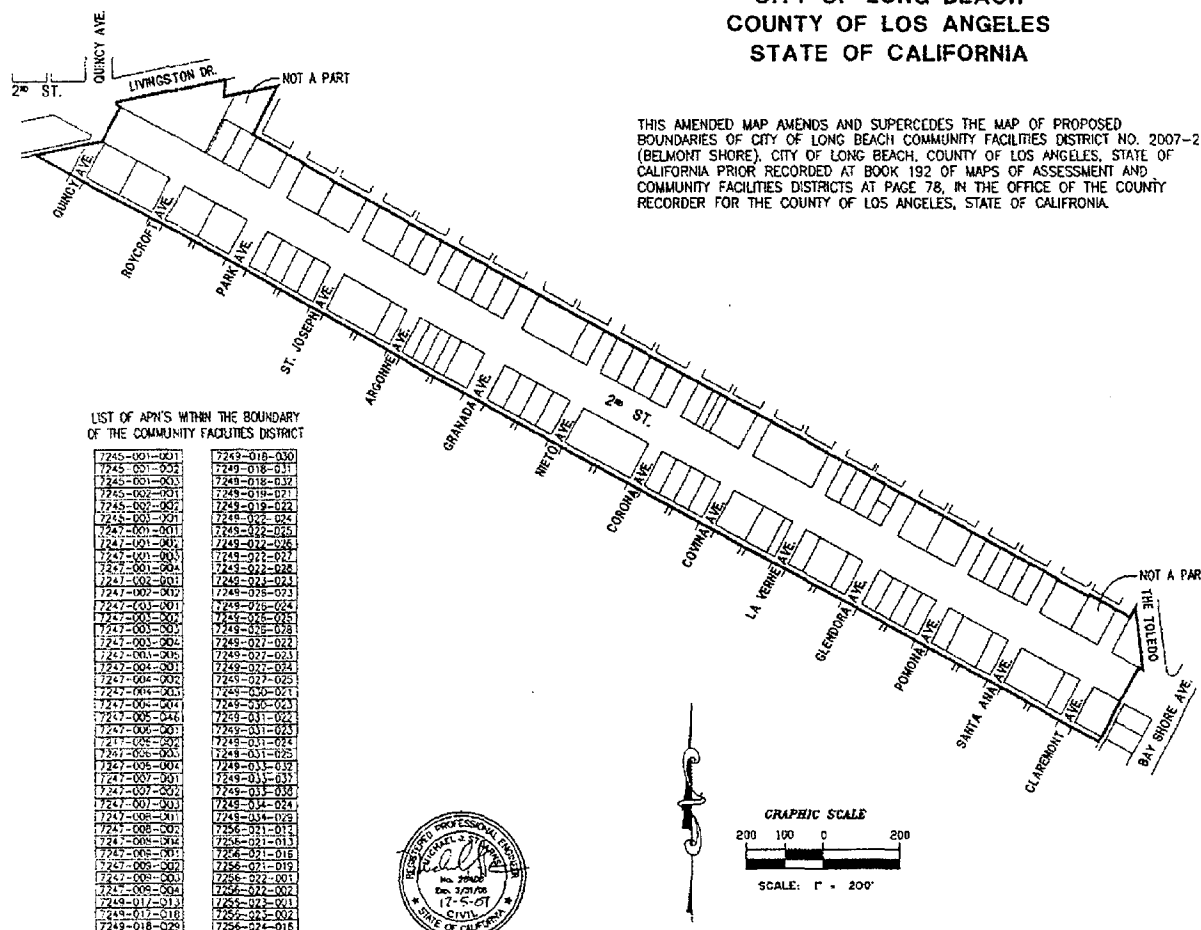




CITY OF LONG BEACH  
COUNTY OF LOS ANGELES  
STATE OF CALIFORNIA

12/18/97  
20072778200

THIS AMENDED MAP AMENDS AND SUPERCEDES THE MAP OF PROPOSED BOUNDARIES OF CITY OF LONG BEACH COMMUNITY FACILITIES DISTRICT NO. 2007-2 (BELMONT SHORE), CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA PRIOR RECORDED AT BOOK 192 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE 78, IN THE OFFICE OF THE COUNTY RECORDER FOR THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LONG BEACH  
THIS 11 DAY OF December, 2007.

CITY CLERK  
CITY OF LONG BEACH  
LOS ANGELES COUNTY, CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN AMENDED MAP SHOWING THE PROPOSED BOUNDARIES OF THE CITY OF LONG BEACH COMMUNITY FACILITIES DISTRICT NO. 2007-2 (BELMONT SHORE), CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF LONG BEACH, AT A MEETING THEREOF HELD ON THE 11 DAY OF December, 2007, BY ITS RESOLUTION NO. 8-8166.

CITY CLERK  
CITY OF LONG BEACH  
LOS ANGELES COUNTY, CALIFORNIA

FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2007, AT THE HOUR OF \_\_\_\_\_ O'CLOCK \_\_\_\_\_ M.,  
IN BOOK \_\_\_\_\_ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT  
PAGE \_\_\_\_\_ IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF LOS ANGELES  
STATE OF CALIFORNIA.

COUNTY RECORDER  
COUNTY OF LOS ANGELES

NOTE: FOR A DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF EACH PARCEL WITHIN THE DISTRICT REFER TO THE 2007 COUNTY OF LOS ANGELES ASSESSOR'S MAPS.

### LEGEND

PROPOSED COMMUNITY FACILITIES DISTRICT BOUNDARY

PARCEL LINES

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF LONG BEACH AFFIRMING FORMATION OF THE  
CITY OF LONG BEACH COMMUNITY FACILITIES  
DISTRICT NO. 2007-2 (BELMONT SHORE), AUTHORIZING  
THE LEVY OF A SPECIAL TAX WITHIN THE DISTRICT,  
PRELIMINARILY ESTABLISHING AN APPROPRIATIONS  
LIMIT FOR THE DISTRICT, AND RESUBMITTING LEVY OF  
THE SPECIAL TAX AND THE ESTABLISHMENT OF THE  
APPROPRIATIONS LIMIT TO THE QUALIFIED ELECTORS  
OF THE DISTRICT

WHEREAS, on December 11, 2007, pursuant to the Long Beach Special  
Tax Financing Improvement Law, Long Beach Municipal Code Section 3.52.511 et seq.  
(the "Law"), this City Council adopted Resolution No. RES-07-0166 entitled "A Resolution  
of the City Council of the City of Long Beach of Formation of the City of Long Beach  
Community Facilities District No. 2007-2 (Belmont Shore), Authorizing the Levy of a  
Special Tax Within the District, Preliminarily Establishing an Appropriations Limit for the  
District, and Submitting the Levy of the Special Tax and the Establishment of the  
Appropriations Limit to the Qualified Electors of the District" (the "Prior Resolution of  
Formation"), Resolution No. RES-07-0167 entitled "A Resolution of the City Council of the  
City of Long Beach Determining the Necessity to Incur Bonded Indebtedness Within the  
City of Long Beach Community Facilities District No. 2007-2 (Belmont Shore) and  
Submitting Proposition to the Qualified Electors of the District" (the "Prior Resolution of  
Necessity") and Resolution No. RES-07-168 entitled "A Resolution of the City Council of  
the City of Long Beach Calling Special Election Within the City of Long Beach  
Community Facilities District No. 2007-2 (Belmont Shore)" (the "Prior Resolution Calling

1 Election”), all related to the proposed formation of the City of Long Beach Community  
2 Facilities District No. 2007-2 (Belmont Shore) (the “District”) in order to fund costs of  
3 parking facilities and improvements (the “Facilities”) and to refinance certain outstanding  
4 bonds (the “1993 Bonds”), as described in the Prior Resolution of Formation; and

5 WHEREAS, pursuant to the Prior Resolution Calling Election, an election  
6 was held within the District on March 3, 2008, regarding the proposition of the levy of a  
7 special tax in the District and the establishment of an appropriations limit for the District  
8 (as described in the Prior Resolution of Formation), and of the incurring of up to  
9 \$5,800,000 in bonded indebtedness of the City for the District (as described in the Prior  
10 Resolution of Necessity) (collectively, the “District Propositions”); and

11 WHEREAS, the District Propositions were not approved by the qualified  
12 electors of the District by more than two-thirds of the votes cast at the election, and on  
13 April 15, 2008, this City Council adopted a resolution entitled “A Resolution of the City  
14 Council of the City of Long Beach Declaring Results of Special Election, and Suspending  
15 Actions With Respect to Special Tax Levies Therein”, which resolution directed that no  
16 further action be taken by this City Council with respect to levying special taxes in the  
17 District for six months from March 3, 2008; and

18 WHEREAS, on May 13, 2008, this City Council adopted an ordinance  
19 entitled “An Ordinance of the City Council of the City of Long Beach Amending Provisions  
20 of the Long Beach Municipal Code Pertaining to Assessment District Bonds (Division IV  
21 of Chapter 3.52) and Special Tax Financing Improvement Procedures (Division V of  
22 Chapter 3.52)” (the “Ordinance”), which Ordinance, among other matters, amended a  
23 provision of the Law with regard to the number of votes to which each landowner in the  
24 District is entitled in an election with respect to the District, to allow the City Council, in  
25 certain circumstances, to authorize an alternative allocation of votes to better reflect the  
26 relative burden of the special tax on the parcels in the District; and

27 WHEREAS, on July 22, 2008, this City Council adopted RES-08-0080  
28 entitled “A Resolution of the City Council of the City of Long Beach Affirming Resolutions

1 of Intention Relating to the Proposed City of Long Beach Community Facilities District  
2 No. 2007-2 (Belmont Shore)" (the "Resolution Affirming Resolutions of Intention"),  
3 pursuant to which, among other matters, the City Council affirmed various matters set  
4 forth in RES-07-1308, the Resolution of Intention to Form the District adopted on  
5 November 13, 2007, and determined that the alternative method of voting added by the  
6 Ordinance to the Law would apply to the voting procedures for a new election of the  
7 landowners with respect to the District with respect to the District Propositions; and

8 WHEREAS, the Resolution Affirming Resolutions of Intention called for a  
9 public hearing on the District to be held on August 5, 2008, and notice of the public  
10 hearing was published as required by the Law; and

11 WHEREAS, on this date this City Council held the public hearing as  
12 required by the Law and the Resolution Affirming Resolutions of Intention relative to the  
13 proposed formation of the District; and

14 WHEREAS, at the hearing all interested persons desiring to be heard on all  
15 matters pertaining to the formation of the District, the Facilities eligible to be funded by  
16 the District, the 1993 Bonds to be refinanced by the District and the levy of the special tax  
17 in the District were heard and a full and fair hearing was held; and

18 WHEREAS, at the hearing evidence was presented to this City Council on  
19 the matters before it, including a report by the Director of Financial Management of the  
20 City (the "Report") as to the Facilities eligible to be funded by the District and of  
21 refinancing the 1993 Bonds and the costs thereof, a copy of which is on file with the City  
22 Clerk, and this City Council at the conclusion of the hearing was fully advised regarding  
23 the District; and

24 WHEREAS, written protests with respect to the formation of the District  
25 and/or the furnishing of specified types of Facilities or the refinancing of the 1993 Bonds  
26 by the District, as described in the Report, have not been filed with the City Clerk by fifty  
27 percent (50%) or more of the registered voters residing within the territory of the District  
28 or property owners of one-half (1/2) or more of the area of land within the District and not

1 exempt from the special tax; and

2 WHEREAS, the special tax proposed to be levied in the District to pay for  
3 costs of the Facilities and of the refinancing of the 1993 Bonds as set forth in Exhibit B to  
4 the Resolution Affirming Resolutions of Intention has not been eliminated by protest by  
5 fifty percent (50%) or more of the registered voters residing within the territory of the  
6 District or the owners of one-half (1/2) or more of the area of land within the District and  
7 not exempt from the special tax;

8 NOW, THEREFORE, the City Council of the City of Long Beach resolves as  
9 follows:

10 Section 1. The foregoing recitals are true and correct.

11 Section 2. The proposed special tax to be levied within the District has  
12 not been precluded by majority protest pursuant to Section 3.52.5210 of the Law.

13 Section 3. All prior proceedings taken by this City Council in connection  
14 with the establishment of the District and the levy of the special tax in the District have  
15 been duly considered and are hereby found and determined to be valid and in conformity  
16 with the Law. On December 21, 1999, this City Council adopted Resolution No. C-27626  
17 approving Local Goals and Policies for Community Facilities Districts Related to  
18 Commercial Development, and this City Council hereby finds and determines that the  
19 District is in conformity with said goals and policies.

20 Section 4. The establishment of the community facilities district  
21 designated "City of Long Beach Community Facilities District No. 2007-2 (Belmont  
22 Shore)" is hereby affirmed.

23 Section 5. The boundaries of the District, as described in the Resolution  
24 of Intention and set forth in the amended boundary map of the District (the "Revised  
25 Map"), a copy of which Revised Map was recorded on December 18, 2007 in the Los  
26 Angeles County Recorder's Office at Book 192 of Maps of Assessment and Community  
27 Facilities Districts at Page 80 (instrument no. 2007 2778200), are hereby approved. The  
28 Revised Map is incorporated herein by this reference and shall be the official map of the

1 boundaries of the District.

2           Section 6.    The types of facilities eligible to be funded by the District and  
3 the 1993 Bonds to be refinanced by the District, in each case pursuant to the Law, are as  
4 described in Exhibit A to the Resolution Affirming Resolutions of Intention which Exhibit is  
5 by this reference incorporated herein.

6           Section 7.    Except to the extent that funds are otherwise available to the  
7 District to pay for the Facilities and/or to pay the principal and interest as it becomes due  
8 on bonds of the District issued to finance the Facilities and/or to refinance the 1993  
9 Bonds, a special tax sufficient to pay the costs thereof, secured by recordation of a  
10 continuing lien against all non-exempt real property in the District, will be levied within the  
11 District and collected in the same manner as ordinary ad valorem property taxes or in  
12 such other manner as this City Council shall determine, including direct billing of the  
13 affected property owners. The proposed rate and method of apportionment of the special  
14 tax among the parcels of real property within the District, in sufficient detail to allow each  
15 landowner within the District to estimate the maximum amount such owner will have to  
16 pay, are described in Exhibit B to the Resolution Affirming Resolutions of Intention, which  
17 Exhibit is by this reference incorporated herein, and shall be the rate and method of  
18 apportionment of special taxes for the District. This City Council hereby finds that the  
19 basis for the levy and apportionment of the special tax, as set forth in said rate and  
20 method of apportionment of special taxes, is reasonable.

21           Section 8.    The office of the Treasurer of the City of Long Beach, 333  
22 West Ocean Boulevard, Long Beach, California 90802, telephone number (562) 570-  
23 6845, is the office of the City that will be responsible for preparing annually and whenever  
24 otherwise necessary a current roll of special tax levy obligations by assessor's parcel  
25 number and that will be responsible for estimating future special tax levies for the District  
26 pursuant to Section 3.52.552 of the Law.

27           Section 9.    Upon recordation of a notice of special tax lien pursuant to  
28 Section 3114.5 of the California Streets and Highways Code for the District, a continuing

1 lien to secure each levy of the special tax shall attach to all nonexempt real property in  
2 the District and this lien shall continue in force and effect until collection of the tax in the  
3 respective improvement area by the City ceases.

4 Section 10. In accordance with Section 3.52.5216 of the Long Beach  
5 Municipal Code, the annual appropriations limit, as defined by subdivision (h) of Section 8  
6 of Article XIII B of the California Constitution, of the District is hereby preliminarily  
7 established at \$5,800,000 and said annual appropriations limit shall be submitted to the  
8 voters of the District as provided below. The proposition establishing the appropriations  
9 limit for the District shall become effective if approved by the qualified electors of the  
10 District voting thereon and shall be adjusted in accordance with the applicable provisions  
11 of Section 3.52.5216 of the Law.

12 Section 11. Pursuant to the provisions of the Law, the proposition of the  
13 levy of the special tax and the proposition of the establishment of the appropriations limit  
14 specified above shall be resubmitted to the qualified electors of the District at an election  
15 using the alternative voting procedure authorized by the Ordinance, the time, place and  
16 conditions of which election shall be as specified by a separate resolution of this City  
17 Council.

18 Section 12. This resolution shall take effect immediately upon its adoption  
19 by the City Council, and the City Clerk shall certify the vote adopting this resolution.  
20

21 I hereby certify that the foregoing resolution was adopted by the City  
22 Council of the City of Long Beach at its meeting of \_\_\_\_\_, 2008, by the

23 ///

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1 following vote:

2 Ayes: Councilmembers:

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Noes: Councilmembers:

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Absent: Councilmembers:

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City Clerk

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HAM:fl  
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