



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard • Long Beach, CA 90802

C-3

December 13, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive and file annual reports on Community Facilities District No. 2007-1 - Douglas Park Commercial Area (CFD No. 2007-1); Community Facilities District No. 2007-2 - Belmont Shore (CFD No. 2007-2); Community Facilities District No. 5 - Long Beach Towne Center (CFD No. 5); and Community Facilities District No. 6 - Pike Public Improvements (CFD No. 6); to comply with the Local Agency Special Tax Bond and Accountability Act. (Districts 2, 3 and 5)

DISCUSSION

The Local Agency Special Tax Bond and Accountability Act, enacted by Senate Bill 165 and codified in the California Government Code Sections 53410 through 53412, requires local agencies to submit an annual report to its governing body on local bond measures sold after January 1, 2001. State law requires reports to include amounts collected and expended in the improvement fund and project status. This annual report requirement applies to CFD No. 2007-1 (Exhibit A), CFD 2007-2 (Exhibit B), CFD No. 5 (Exhibit C), and CFD No. 6 (Exhibit D).

The CFD No. 2007-1 - Douglas Park Commercial Area A bonds, totaling \$15.1 million were issued, of which \$12.9 million were deposited into an improvement fund to fund the acquisition, construction of various public improvements including sewer, water, roadway, and traffic signalization systems, installation of street lights and construction of dry utilities and landscaping and irrigation improvements. As of September 30, 2011, the fund balance of \$51,283 remains for administrative oversight by the Department of Public Works for ongoing improvements in this project area.

The CFD No. 2007-2 - Belmont Shore 2009 bonds, totaling \$3.7 million were issued, of which \$3.2 million were deposited into an improvement fund to fund the acquisition of property for parking lot use, replacement of alleyways and related costs, relocation of utilities, landscaping, signage and construction of public improvements to provide public parking. As of September 30, 2011, the fund balance of \$808,834 remains for ongoing improvements in this project area.

HONORABLE MAYOR AND CITY COUNCIL

December 13, 2011

Page 2

The CFD No. 5 - Long Beach Towne Center 2008 refunding bonds, totaling \$14.6 million were issued, of which \$826,219 were deposited in an improvement fund to finance certain sidewalk and/or drainage improvements. Remaining funds were issued to defease outstanding bonds issued by the City for the District in 2000.

The CFD No. 6 – Pike Public Improvement bonds, totaling \$32.1 million, were issued to finance acquisition, construction and installation of the Pike parking structure and the Catalina Landing parking lot, in addition to ancillary improvements, which included storm drains, metered on-street parking stalls, installation of underground utilities and related improvements. The project has been completed and no fund balance remains.

This matter was reviewed by Assistant City Attorney Heather Mahood on November 17, 2011 and Budget Management Officer Victoria Bell on November 22, 2011.

TIMING CONSIDERATIONS

City Council action is requested on December 13, 2011 as State law requires this report to be filed by the end of the calendar year.

FISCAL IMPACT

There is no fiscal impact or local job impact associated with this action.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

JG:DN:EC
T:\Council Letters\12-13-11 ccl - CFD Annual Reports.doc

- ATTACHMENTS: - A: Annual Report – CFD No. 2007-1
- B: Annual Report – CFD No. 2007-2
- C: Annual Report – CFD No. 5
- D: Annual Report – CFD No. 6

APPROVED:



PATRICK H. WEST
CITY MANAGER

**Community Facilities District
No. 2007-1 Douglas Park – Commercial Area**

**2 0 1 1 A N N U A L
R E P O R T**

Senate Bill 165 enacted the Local Agency Special Tax and Bond Accountability Act codified in Government Code Sections 53410 through 53412. This Act requires that any local special tax/local bond measure subject to voter approval contain a statement indicating the specific purposes of the special tax, requires that the proceeds of the special tax be applied to those purposes, requires the creation of an account into which the proceeds shall be deposited, and requires an annual report containing specified information concerning the use of the proceeds. The Act only applies to bonds issued on or after January 1, 2001 in accordance with Section 53410 of the California Government Code.

Some of the requirements of the Act are handled at the formation (bond issuance) of the Special Tax District and others are handled through annual reports. This report intends to comply with Section 53411 of the California Government Code that states:

“The chief fiscal officer of the issuing local agency shall file a report with its governing body no later than January 1, 2002, and at least once a year thereafter. The annual report shall contain all of the following:

- (a) The amount of funds collected and expended.
- (b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 53410.”

The requirements of the Act apply to the Improvement/Construction/Facilities Fund of the following District:

District	Date Bonds Issued	Initial Amount Deposited To Improvement/Construction Fund	9/30/2011 Balance ⁽¹⁾	Expended Amount to Date	Project Status
CFD No. 2007-1	July 2007	\$12,934,414	\$51,283	\$12,883,131	On-Going

(1) Improvement fund balance comprised of Public Works administration account. All acquisition/construction costs expended.

**Community Facilities District
No. 2007-2 Belmont Shore – 2009 Bonds**

**2 0 1 1 A N N U A L
R E P O R T**

Senate Bill 165 enacted the Local Agency Special Tax and Bond Accountability Act codified in Government Code Sections 53410 through 53412. This Act requires that any local special tax/local bond measure subject to voter approval contain a statement indicating the specific purposes of the special tax, requires that the proceeds of the special tax be applied to those purposes, requires the creation of an account into which the proceeds shall be deposited, and requires an annual report containing specified information concerning the use of the proceeds. The Act only applies to bonds issued on or after January 1, 2001 in accordance with Section 53410 of the California Government Code.

Some of the requirements of the Act are handled at the formation (bond issuance) of the Special Tax District and others are handled through annual reports. This report intends to comply with Section 53411 of the California Government Code that states:

“The chief fiscal officer of the issuing local agency shall file a report with its governing body no later than January 1, 2002, and at least once a year thereafter. The annual report shall contain all of the following:

- (a) The amount of funds collected and expended.
- (b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 53410.”

The requirements of the Act apply to the Improvement/Construction/Facilities Fund of the following District:

District	Date Bonds Issued	Initial Amount Deposited To Improvement/Construction Fund	9/30/2011 Balance ⁽¹⁾	Expended Amount to Date	Project Status
CFD No. 2007-2	11/19/2009	\$3,163,935	\$808,834	\$2,355,101	In Progress

(1) Includes accrued interest earnings.

**Community Facilities District No. 5
Long Beach Towne Center Refunding**

**2 0 1 1 A N N U A L
R E P O R T**

Senate Bill 165 enacted the Local Agency Special Tax and Bond Accountability Act codified in Government Code Sections 53410 through 53412. This Act requires that any local special tax/local bond measure subject to voter approval contain a statement indicating the specific purposes of the special tax, requires that the proceeds of the special tax be applied to those purposes, requires the creation of an account into which the proceeds shall be deposited, and requires an annual report containing specified information concerning the use of the proceeds. The Act only applies to bonds issued on or after January 1, 2001 in accordance with Section 53410 of the California Government Code.

Some of the requirements of the Act are handled at the formation (bond issuance) of the Special Tax District and others are handled through annual reports. This report intends to comply with Section 53411 of the California Government Code that states:

“The chief fiscal officer of the issuing local agency shall file a report with its governing body no later than January 1, 2002, and at least once a year thereafter. The annual report shall contain all of the following:

- (a) The amount of funds collected and expended.
- (b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 53410.”

The requirements of the Act apply to the Improvement/Construction Fund of the following District:

District	Date Refunded Bonds Issued	Initial Amount Deposited To Improvement/Construction Fund	9/30/2010 Balance	Expended Amount to Date ⁽¹⁾	Project Status
CFD No. 5 (Refunded)	5/22/2008	\$826,219	\$0	\$833,817.47	Complete

(1) Includes \$7,598.47 interest earnings.

**Community Facilities District No. 6
Pike Public Improvements**

**2 0 1 1 A N N U A L
R E P O R T**

Senate Bill 165 enacted the Local Agency Special Tax and Bond Accountability Act codified in Government Code Sections 53410 through 53412. This Act requires that any local special tax/local bond measure subject to voter approval contain a statement indicating the specific purposes of the special tax, requires that the proceeds of the special tax be applied to those purposes, requires the creation of an account into which the proceeds shall be deposited, and requires an annual report containing specified information concerning the use of the proceeds. The Act only applies to bonds issued on or after January 1, 2001 in accordance with Section 53410 of the California Government Code.

Some of the requirements of the Act are handled at the formation (bond issuance) of the Special Tax District and others are handled through annual reports. This report intends to comply with Section 53411 of the California Government Code that states:

“The chief fiscal officer of the issuing local agency shall file a report with its governing body no later than January 1, 2002, and at least once a year thereafter. The annual report shall contain all of the following:

- (a) The amount of funds collected and expended.
- (b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 53410.”

The requirements of the Act apply to the Improvement/Construction Fund of the following District:

District	Date Bonds Issued	Initial Amount Deposited to Improvement/Construction Fund	9/30/2011 Balance	Expended Amount to Date	Project Status
CFD No. 6	7/11/2002	\$32,142,411	\$0	\$32,142,411	Complete

Interest Earnings on Bond Proceeds:

District	Interest Earned on Bond Proceeds to Date	9/30/2011 Earned Interest Balance ⁽¹⁾	Earned Interest Expended Amount To Date
CFD No. 6	\$363,433	\$0	\$363,433

(1) Balance transferred to retire outstanding bonds.