



CITY OF LONG BEACH

DEPARTMENT OF PUBLIC WORKS

R-28

333 WEST OCEAN BOULEVARD • LONG BEACH, CA 90802 • (562) 570-6383 • FAX (562) 570-6012

September 2, 2008

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt resolutions related to the undergrounding of utilities between 5430 and 5544 The Toledo: 1) Resolution of intention to order improvements and to form Assessment District No. 08-01; and 2) Resolution of preliminary approval of engineer's report, calling for a public hearing and election on October 28, 2008. (District 3)

DISCUSSION

Property owners adjoining The Toledo between 5430 to 5544 The Toledo have petitioned the City of Long Beach to underground the aerial utilities along this street portion, with the understanding that such undergrounding must be financed as an assessment district. The utilities proposed to be undergrounded are electrical service, telephone and cable communication lines. The maximum cost of this project is estimated at \$1,335,000, which includes the construction of utility conduit infrastructure, the placement of distribution lines, assessment engineering, city administrative costs, bond issuance, and funded interest for 12 months. Connection of the individual properties to the new underground system is at the expense of each property owner. The petition was signed by owners of over two-thirds of the parcels in the district, weighted by value of the proposed individual assessments. A description of the work is attached as Exhibit A, a map of the proposed assessment district is attached as Exhibit B, and the per-parcel assessment spread is attached as Exhibit C.

If City Council finds that this undergrounding of utilities is in the best interest of the community, that this project would enhance public safety and the overall aesthetics of the area, and that the benefits of this project are of more than local or ordinary public benefit, they may adopt a resolution declaring their intention to order the improvements and form an assessment district pursuant to the Municipal Improvement Act of 1913. By passage of this resolution, Harris & Associates shall be appointed as the Engineer of Work for the assessment district, and Quint & Thimmig LLP shall be designated as bond counsel.

**DIRECTOR'S OFFICE
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HONORABLE MAYOR AND CITY COUNCIL

September 2, 2008

Page 2

City Council is required to consider the engineer's report containing a description of the improvements, a diagram showing the boundaries of the assessment district, an estimate of the total cost of the improvements, and the apportionment of this cost to each parcel within the district. A copy of this report is attached as Exhibit D. If the report is found to be sufficient, City Council may adopt a resolution approving the report, setting a date for a public hearing, and calling for an election of the property owners within the district. The City Clerk shall then be directed to mail notices of the hearing and ballots to all persons owning property in the proposed district. If the property owners of no more than 50 percent of the total cost of improvements file a protest against the proposed improvement, City Council may confirm the assessment.

Chief Assistant City Attorney Heather Mahood prepared the attached resolutions on May 30, 2008. In conformance with the California Environmental Quality Act, Categorical Exemption Number CE-110-08, was filed for this project.

This matter was reviewed by Chief Assistant City Attorney Heather Mahood on July 30, 2008 and Budget Management Officer Victoria Bell on July 30, 2008.

TIMING CONSIDERATIONS

Utility company estimates of project cost are time sensitive. City Council action is requested on September 2, 2008 in order to respond to the property owners' petition without unnecessary delay, as delay could adversely affect project costs.

FISCAL IMPACT

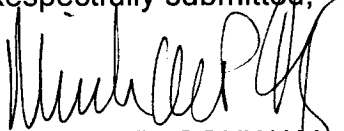
There is no fiscal impact to the City, as the proposed undergrounding of utilities is to be financed by the assessment district. Although the Naples Elementary School property lies within the proposed district, with an estimated assessment of \$122,488, which assessment collection cannot be enforced, this amount will be collected from other beneficiaries prior to the issuance of the bond.

The district will be funded with City issued tax-exempt bonds. In order to reduce costs to the owners of the 36 residential properties in the district, the project proponents propose that the bonds be sold as a direct private placement rather than as a public offering. Certain bond finance costs were therefore deleted from the project total, including disclosure counsel; financial printing, registration and servicing; the underwriter's discount; and an excess bond reserve of 5 percent. If the direct placement of bonds is unsuccessful, the project may be underfunded and therefore infeasible.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

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MAC:SC:db

Attachments

APPROVED:



PATRICK H. WEST
CITY MANAGER

Assessment District No. 08-01 (The Toledo Utility Undergrounding)
The Work

These improvements are proposed to be constructed and installed in the general location referred to as Assessment District No. 08-01 (The Toledo Utility Undergrounding).

The proposed facilities include the undergrounding of electric, telephone and cable on The Toledo south of Second Street and west of Geneva Walkway.

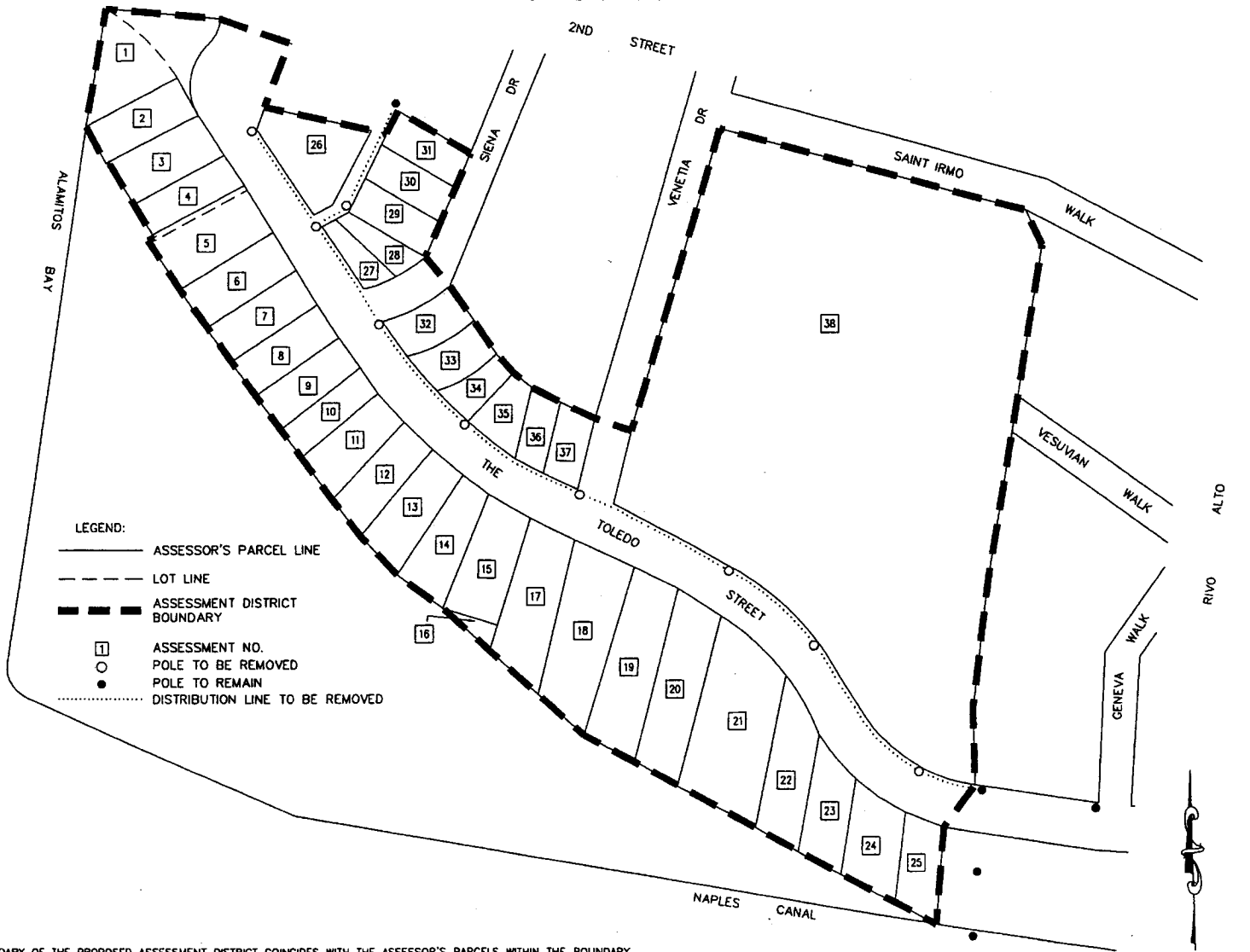
Improvements:

1. The removal of existing overhead power, telephone and cable wires and poles.
2. Removal of overhead resident service drops.
3. Construction of mainline underground power, telephone and cable conduit, with appurtenant manholes and pullboxes.
4. Construction of service conduit and appurtenances to property line.
5. Installation of new conductor within said conduit and underground structures by the utility companies.
6. Construction of street lighting conversion improvements.

These improvements will be designed by Southern California Edison, Verizon Telephone and Charter Cable. The City of Long Beach will inspect the work to ensure conformance to City standards and specifications where applicable.

Note: The foregoing improvements do not include any individual service connections on private properties. Each owner of property located within the Assessment District will be responsible for arranging for and paying for work on his or her property necessary to connect facilities constructed by the public utilities in the public streets and alleys to the points of connection on the private property.

ASSESSMENT DIAGRAM FOR
ASSESSMENT DISTRICT No. 08-01
(THE TOLEDO UTILITY UNDERGROUNDING)
CITY OF LONG BEACH, COUNTY OF LOS ANGELES
STATE OF CALIFORNIA



THE BOUNDARY OF THE PROPOSED ASSESSMENT DISTRICT COINCIDES WITH THE ASSESSOR'S PARCELS WITHIN THE BOUNDARY SHOWN ON THIS MAP. FOR PARTICULARS OF LINES AND DIMENSIONS OF ASSESSOR'S PARCELS, REFERENCE IS MADE TO THE MAPS OF THE LOS ANGELES COUNTY ASSESSOR.

SCALE: 1"=75'

EXHIBIT B

EXHIBIT C

Parcel Address	Asmt No.	APN	Land Use	BENEFIT POINTS						ASSESSMENT CALCULATIONS					
				Aesthetics Benefit Points	+	Safety Benefit Points	+	Reliability Benefit Points	=	Total Benefit Points	Construction Costs	Incidental Costs	Financing Costs	Total Assessment	
5430 E THE TOLEDO	1	7244-016-021	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5436 E THE TOLEDO	2	7244-016-022	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5438 E THE TOLEDO	3	7244-016-012	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5446 E THE TOLEDO	4	7244-016-024	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5450 E THE TOLEDO	5	7244-016-026	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5456 E THE TOLEDO	6	7244-016-028	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5460 E THE TOLEDO	7	7244-016-030	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5464 E THE TOLEDO	8	7244-016-032	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5468 E THE TOLEDO	9	7244-016-034	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5472 E THE TOLEDO	10	7244-016-020	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5474 E THE TOLEDO	11	7244-016-036	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5480 E THE TOLEDO	12	7244-016-038	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5484 E THE TOLEDO	13	7244-016-018	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5488 E THE TOLEDO	14	7244-016-040	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5490 E THE TOLEDO	15	7244-019-018	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5490 E THE TOLEDO	16	7244-019-030	SFR	0.0	+	0.0	+	0.00	=	0.00	\$0.00	\$0.00	\$0.00	\$0.00	
5494 E THE TOLEDO	17	7244-019-028	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5500 E THE TOLEDO	18	7244-019-026	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5508 E THE TOLEDO	19	7244-019-015	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5518 E THE TOLEDO	20	7244-019-014	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5528 E THE TOLEDO	21	7244-019-013	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5530 E THE TOLEDO	22	7244-019-020	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5534 E THE TOLEDO	23	7244-019-021	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5538 E THE TOLEDO	24	7244-019-022	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5544 E THE TOLEDO	25	7244-019-012	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5437 E THE TOLEDO	26	7244-015-010	2DU	1.0	+	2.0	+	1.00	=	4.00	\$40,044.49	\$3,996.29	\$5,449.49	\$49,490.27	
105 SIENA DR	27	7244-015-011	SFR	0.5	+	1.0	+	1.00	=	2.50	\$25,027.80	\$2,497.68	\$3,405.93	\$30,931.41	
115 SIENA DR	28	7244-015-012	SFR	0.0	+	1.0	+	1.00	=	2.00	\$20,022.24	\$1,998.15	\$2,724.74	\$24,745.13	
117 SIENA DR	29	7244-015-013	SFR	0.0	+	1.0	+	1.00	=	2.00	\$20,022.24	\$1,998.15	\$2,724.74	\$24,745.13	
123 SIENA DR	30	7244-015-014	SFR	0.0	+	1.0	+	1.00	=	2.00	\$20,022.24	\$1,998.15	\$2,724.74	\$24,745.13	
125 SIENA DR	31	7244-015-015	SFR	0.0	+	0.5	+	0.00	=	0.50	\$5,005.56	\$499.54	\$681.19	\$6,186.29	
5467 E THE TOLEDO	32	7244-014-039	SFR	0.5	+	1.0	+	1.00	=	2.50	\$25,027.80	\$2,497.68	\$3,405.93	\$30,931.41	
5471 E THE TOLEDO	33	7244-014-018	SFR	1.0	+	1.0	+	0.33	=	2.33	\$23,359.28	\$2,331.17	\$3,178.87	\$28,869.32	
5475 E THE TOLEDO	34	7244-014-019	SFR	1.0	+	1.0	+	0.00	=	2.00	\$20,022.24	\$1,998.15	\$2,724.74	\$24,745.13	
5481 E THE TOLEDO	35	7244-014-020	SFR	1.0	+	1.0	+	0.00	=	2.00	\$20,022.24	\$1,998.15	\$2,724.74	\$24,745.13	
5485 E THE TOLEDO	36	7244-014-021	SFR	1.0	+	1.0	+	0.67	=	2.67	\$26,696.32	\$2,664.19	\$3,632.99	\$32,993.50	
101 VENETIA DR	37	7244-014-022	SFR	0.5	+	1.0	+	0.00	=	1.50	\$15,016.68	\$1,498.61	\$2,043.56	\$18,558.85	
Naples Elem. School	38	7244-017-900	SCHOOL	0.0	+	9.4	+	0.50	=	9.90	\$99,110.23	\$9,890.81	\$13,487.46	\$122,488.50	
Totals:											107.90	\$1,080,200.00	\$107,800.00	\$147,000.00	\$1,335,000.00

**Preliminary Engineer's Report for
Assessment District No. 08-01**

The Toledo Utility Undergrounding

**EXHIBIT D
(26 Pages)**

DRAFT

Preliminary Engineer's Report

for

**Assessment District No. 08-01
(The Toledo Utility Undergrounding)**

**Prepared under the provisions of the
Long Beach Assessment District
Procedural Ordinance
and, where applicable, the
Municipal Improvement Act of 1913**

For the

**City Engineer of the
City of Long Beach**
Los Angeles County, California

Prepared by:



Harris & Associates

July 30, 2008

TABLE OF CONTENTS

	Page
Introduction and Certifications	1
PART I Plans and Specifications	4
PART II Cost Estimates	5
PART III Assessment Roll and Method of Assessment Spread	6
Table 1 – Assessment Roll.....	8
Debt Limit Valuation	9
Exhibit 1 – Method of Assessment	10
PART IV Annual Administrative Assessment.....	16
PART V Boundary Map and Diagram of Assessment District	17
PART VI Description of Facilities	20
Right-of-Way Certificate	21
Certification of Completion of Environmental Proceedings.....	22

AGENCY: CITY OF LONG BEACH

PROJECT: ASSESSMENT DISTRICT NO. 08-01

TO: CITY COUNCIL

**ENGINEER'S "REPORT" PURSUANT TO THE
PROVISIONS OF SECTION 3.52.426
OF THE LONG BEACH MUNICIPAL CODE**

Pursuant to the provisions of Division IV of Chapter 3.52 of the Long Beach Municipal Code, Article XIID of the State Constitution, and, where applicable, Part 7.5 of the "Special Assessment Investigation, Limitation and Majority Protest Act of 1931", being Division 4 of the Streets and Highways Code of the State of California, and the "Municipal Improvement Act of 1913", being Division 12 of said Code, and the Resolution of Intention, adopted by the City Council of the CITY OF LONG BEACH, State of California, on August 19, 2008, in connection with the proceedings for Assessment District No. 08-01 (The Toledo Utility Undergrounding) (hereinafter referred to as the "Assessment District"), I, Mark Christoffels, P.E., City Engineer of the City of Long Beach, the duly appointed Engineer of Work, in conjunction with Joan E. Cox, P.E., a Registered Professional Engineer and authorized representative of Harris & Associates, herewith submits the "Report" for the Assessment District, consisting of six (6) parts as stated below.

PART I

This part contains the plans and specifications which describe the general nature, location and extent for the proposed improvements to be constructed, and are filed herewith and made a part hereof. Said plans and specifications are on file in the Office of the City Engineer.

PART II

This part contains an estimate of the cost of the proposed improvements, including capitalized interest, if any, incidental costs and expenses in connection therewith as set forth herein and attached hereto.

PART III

This part consists of the following information:

- A. A proposed assessment of the total amount of the costs and expenses of the proposed improvements upon the several subdivisions of land within the Assessment District, in proportion to the special benefits to be received by such subdivisions from said improvements, which is set forth upon the assessment roll filed herewith and made a part hereof.
- B. The total amount, as near as may be determined, of the total principal sum of all unpaid special assessments and special assessments required or proposed to be levied under any completed or pending assessment proceedings, other than that contemplated for the Assessment District, which would require an investigation and report under the "Special Assessment Investigation, Limitation and Majority Protest Act of 1931" against the total area proposed to be assessed.

- C. The total true value, determined from the latest Assessor's roll, of the parcels of land and improvements which are proposed to be assessed.

PART IV

This part contains the proposed maximum annual administrative assessment to be levied upon each subdivision or parcel of land within the Assessment District to pay the costs incurred by the CITY OF LONG BEACH, and not otherwise reimbursed, resulting from the administration and collection of assessments, from the administration and registration of any associated bonds and reserve or other related funds, or both.

PART V

This part contains a map showing the boundaries of the Assessment District, and a diagram showing the Assessment District, the boundaries and the dimensions of the subdivisions of land within said Assessment District, as the same existed at the time of the passage of the Resolution of Intention. The Boundary Map and Assessment Diagram are filed herewith and made a part hereof, and part of the assessment.

PART VI

This part shall consist of the following information:

- A. Description of Facilities
- B. Right-of-Way Certificate
- C. Environmental Certificate

This report is submitted on July 30, 2008.

HARRIS & ASSOCIATES

JOAN E. COX, P.E.
R.C.E. No. 41965

MARK CHRISTOFFELS, P.E.
CITY ENGINEER
CITY OF LONG BEACH
STATE OF CALIFORNIA

Preliminary approval by the CITY COUNCIL of the CITY OF LONG BEACH, CALIFORNIA, on the ____ day of _____, 2008.

CITY CLERK
CITY OF LONG BEACH
STATE OF CALIFORNIA

Final approval by the CITY COUNCIL of the CITY OF LONG BEACH, CALIFORNIA, on the ____ day of _____, 2008.

CITY CLERK
CITY OF LONG BEACH
STATE OF CALIFORNIA

Part I Plans and Specifications

The plans and specifications to construct the utility undergrounding improvements, and any ancillary improvements thereof, for the area generally described as Assessment District No. 08-01, (The Toledo Utility Undergrounding), specifically The Toledo from south of Second Street to west of Geneva Walkway, describe the general nature, location and extent of the improvements for this Assessment District and are referenced herein and incorporated as if attached and a part of this Report.

Said Plans and Specifications for the improvements are on file in the office of the City Engineer.

Part II Cost Estimate

CONSTRUCTION COSTS	Estimated Costs	
	Preliminary	Confirmed
Infrastructure (includes de-watering, inspection, etc.)	\$600,000	
Southern California Edison	\$297,250	
City Light & Power (Street Light Improvements)	\$6,500	
Verizon Telephone	\$95,000	
Charter Cable	\$30,500	
Estimated Utility Contribution for Equivalent Overhead System	(\$47,250)	
Contingency (10%)	\$98,200	
Subtotal Costs:	\$1,080,200	
Total Construction Costs:	\$1,080,200	
INCIDENTAL EXPENSES (assuming direct placement of bonds with an investor)		
Assessment Engineering	\$30,000	
City Administration	\$3,000	
Financial Advisor	\$25,000	
Bond Counsel	\$33,000	
Disclosure Counsel	\$0	
Filing Fees	\$2,500	
Paying Agent	\$3,000	
Financial Printing, Registration and Servicing	\$0	
Incidental Contingencies	\$11,300	
Total Incidental Expenses:	\$107,800	
Total Construction and Incidental Expenses:	\$1,188,000	
FINANCING COSTS (assuming direct placement of bonds with an investor)		
Underwriter's Discount	0.00%	\$0
Bond Reserve	5.00%	\$67,000
Funded Interest @ 12 months @ 6.00%		\$80,000
Total Financial Costs:		\$147,000
DISTRICT FORMATION AMOUNT TO ASSESSMENT:		\$1,335,000

Part III Assessment Roll and Method of Assessment Spread

WHEREAS, on August 19, 2008 the City Council of the CITY OF LONG BEACH, State of California, did, pursuant to the provisions of the Long Beach Assessment District Procedural Ordinance, being Division IV of Chapter 3.52 of the Long Beach Municipal Code and, where applicable, the 1913 Act "Municipal Improvement Act of 1913", being Division 12 of the Streets and Highways Code, of the State of California, adopt its Resolution of Intention No. _____, for the installation and construction of certain public improvements, together with appurtenances and appurtenant work in connection therewith, in a special assessment district known and designated as ASSESSMENT DISTRICT NO. 08-01 (The Toledo Utility Undergrounding) (hereinafter referred to as the "Assessment District"); and

WHEREAS, said Resolution of Intention, as required by law, did direct the Engineer of Work to make and file a "Report", consisting of the following as required by Section 3.52.426 of the Long Beach Municipal Code:

- a. Description of improvements to be financed;
- b. An estimate of the total cost of the improvements and the amount to be assessed against the benefited lands within the Assessment District;
- c. Assessment Diagram showing the boundaries of the Assessment District, and reference to the County of Los Angeles Assessor's parcel numbers or other identification of parcels;
- d. A proposed assessment of the costs and expenses of the works of improvement levied upon the parcels within the boundaries of the Assessment District;
- e. The proposed maximum annual assessment to be levied upon each subdivision or parcel of land within the Assessment District to pay the costs incurred by the City and not otherwise reimbursed resulting from the administration and collection of assessments or from the administration and registration of any associated bonds and reserve or other related funds.

For particulars, reference is made to the Resolution of Intention as previously adopted.

NOW, THEREFORE, I, Mark Christoffels, P.E., City Engineer and Engineer of Work for the Assessment District, in conjunction with Joan E. Cox, P.E., the authorized representative of HARRIS & ASSOCIATES, do hereby submit the following:

1. Pursuant to the provisions of law and the Resolution of Intention, I have assessed the costs and expenses of the works of improvement to be performed in the Assessment District upon the parcels of land in the Assessment District specially benefited thereby in direct proportion and relation to the special benefits to be received by each of said parcels. For particulars as to the identification of said parcels, reference is made to the Assessment Diagram, a copy of which is attached hereto and incorporated herein.
2. As required by law, a Diagram is hereto attached, showing the Assessment District, as well as the boundaries and dimensions of the respective parcels and subdivisions of land within

said Assessment District as the same existed at the time of the passage of said Resolution of Intention, each of which subdivisions of land or parcels or lots respectively have been given a separate number upon said Diagram and in said Assessment Roll.

3. The subdivisions and parcels of land the numbers therein as shown on the respective Assessment Diagram as attached hereto correspond with the numbers as appearing on the Assessment Roll as contained herein.
4. NOTICE IS HEREBY GIVEN that bonds will be issued in accordance with Division IV of Chapter 3.52 of the Long Beach Municipal Code (the "Law") and, where applicable, Division 10 of the Streets and Highways Code of the State of California (the "Improvement Bond Act of 1915"), to represent all unpaid assessments, which bonds shall be issued not to exceed the legal maximum term as authorized by law, THIRTY (30) YEARS from the 2nd day of September next succeeding twelve (12) months from their date. Said bonds shall bear interest at a rate not to exceed the current legal maximum rate of 12% per annum.
5. By virtue of the authority contained in the Law and, where applicable, the "Municipal Improvement Act of 1913", and by further direction and order of the legislative body, I hereby recommend the following Assessment to cover the costs and expenses of the works of improvement for the Assessment District based on the costs and expenses as set forth below:

	As Preliminarily Approved	As Confirmed
Estimated Cost of Construction:	\$1,080,200	
Estimated Incidental Expenses:	\$107,800	
Estimated Financial Costs:	\$147,000	
Estimated Total to Assessment:	\$1,335,000	

For particulars as to the individual assessments and their descriptions, reference is made to Table 1 (Assessment Roll) attached hereto.

6. The Method of Assessment Spread is as set forth in the exhibit identified as Part III (Exhibit 1), which is attached hereto, referenced and so incorporated.

Table 1
Assessment Roll

Asmt No.	Assessor's Parcel Number	Total True Value	Existing Liens	Asmts As Preli-minarily Approved	Asmts As Finally Confirmed & Recorded	Value to Lien Ratio
1	7244-016-021	\$2,677,766	\$0	\$37,117.70		72
2	7244-016-022	\$1,835,496	\$0	\$37,117.70		49
3	7244-016-012	\$670,830	\$0	\$37,117.70		18
4	7244-016-024	\$1,228,632	\$0	\$37,117.70		33
5	7244-016-026	\$2,494,596	\$0	\$37,117.70		67
6	7244-016-028	\$2,910,477	\$0	\$37,117.70		78
7	7244-016-030	\$1,781,857	\$0	\$37,117.70		48
8	7244-016-032	\$1,449,494	\$0	\$37,117.70		39
9	7244-016-034	\$1,769,351	\$0	\$37,117.70		48
10	7244-016-020	\$3,191,886	\$0	\$37,117.70		86
11	7244-016-036	\$2,557,126	\$0	\$37,117.70		69
12	7244-016-038	\$1,287,139	\$0	\$37,117.70		35
13	7244-016-018	\$1,242,340	\$0	\$37,117.70		33
14	7244-016-040	\$1,138,276	\$0	\$37,117.70		31
15	7244-019-018	\$2,866,520	\$0	\$37,117.70		77
16	7244-019-030	\$0	\$0	\$0.00		N/A
17	7244-019-028	\$2,106,231	\$0	\$37,117.70		57
18	7244-019-026	\$3,204,754	\$0	\$37,117.70		86
19	7244-019-015	\$270,350	\$0	\$37,117.70		7
20	7244-019-014	\$535,556	\$0	\$37,117.70		14
21	7244-019-013	\$4,993,920	\$0	\$37,117.70		135
22	7244-019-020	\$4,852,955	\$0	\$37,117.70		131
23	7244-019-021	\$296,199	\$0	\$37,117.70		8
24	7244-019-022	\$270,808	\$0	\$37,117.70		7
25	7244-019-012	\$1,372,556	\$0	\$37,117.70		37
26	7244-015-010	\$498,369	\$0	\$49,490.27		10
27	7244-015-011	\$171,807	\$0	\$30,931.41		6
28	7244-015-012	\$352,526	\$0	\$24,745.13		14
29	7244-015-013	\$369,987	\$0	\$24,745.13		15
30	7244-015-014	\$428,952	\$0	\$24,745.13		17
31	7244-015-015	\$773,100	\$0	\$6,186.29		125
32	7244-014-039	\$596,759	\$0	\$30,931.41		19
33	7244-014-018	\$770,961	\$0	\$28,869.32		27
34	7244-014-019	\$826,979	\$0	\$24,745.13		33
35	7244-014-020	\$1,085,000	\$0	\$24,745.13		44
36	7244-014-021	\$83,957	\$0	\$32,993.50		3
37	7244-014-022	\$83,742	\$0	\$18,558.85		5
38	7244-017-900	\$1,398,752	\$0	\$122,488.50		11
		\$54,446,006		\$1,335,000.00		41

Table 2
Debt Limit Valuation

A. ESTIMATED BALANCE TO ASSESSMENT	\$1,335,000
B. UNPAID SPECIAL ASSESSMENTS	\$0 *
TOTAL A & B	\$1,335,000
C. TRUE VALUE OF PARCELS	\$54,473,910 **
AVERAGE VALUE TO LIEN RATIO	41 :1

* Unpaid Special Assessments shall consist of the total principal sum of all unpaid special assessments previously levied or proposed to be levied other than in the instant proceedings.

** True Value of Parcels means the total value of the land and improvements as estimated and shown on the last equalized roll of the County.

This report does not represent a recommendation of parcel value, economic viability or financial feasibility, as that is not the responsibility of the Assessment Engineer.

CERTIFICATION

I, the undersigned City Engineer, do hereby certify that the total amount of the principal sum of the special assessments proposed to be levied, together with the principal amount of previously levied special assessments, as set forth above, do not exceed one-half (1/2) the total true value of the parcels proposed to be assessed.

EXECUTED on July 30, 2008.

HARRIS & ASSOCIATES

JOAN E. COX, P.E.
R.C.E. No. 41965

MARK CHRISTOFFELS, P.E.
CITY ENGINEER
CITY OF LONG BEACH
STATE OF CALIFORNIA

Exhibit 1 Method of Assessment

BACKGROUND

The Assessment District is formed under the authority of the Law and Article XIID of the California State Constitution, which require that local agencies levy assessments according to special benefit. In addition, Article XIID, Section 4, of the State Constitution requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. Section 4 provides that only special benefits are assessable and the local agency levying the assessment must separate the general benefits from the special benefits. It also requires that publicly owned property that benefits from the improvements be assessed. Neither the Law nor the State Constitution specifies the method or formula that should be used to apportion the costs to properties in any special assessment district proceedings. The responsibility for recommending an apportionment of the costs to properties which specially benefit from the improvements rests with the Assessment Engineer, who is appointed for the purpose of making an analysis of the facts and determining the correct apportionment of the assessment obligation. Therefore, costs and expenses of proposed improvement(s) will be apportioned against the properties by a formula or method that distributes the costs in direct proportion to the estimated special benefits these parcels receive from the improvements.

The approval of the assessments rests with the City Council. The Council renders its decision after hearing testimony and evidence presented at a public hearing and tabulating the assessment ballots, which are mailed to all record owners of property within the Assessment District. Only ballots delivered to the City prior to the close of the public hearing are tabulated. The Council's findings must include whether or not the assessment spread has been made in direct proportion to the estimated special benefits received by each parcel.

Apportionment of Special Benefit

The purpose of this Assessment District is to provide the financing to underground existing overhead electrical, telephone and cable facilities. These facilities are the direct source of service to the properties within the Assessment District.

The proposed replacement of existing overhead utility facilities (power, telephone and cable facilities) with underground facilities will provide a special benefit to the parcels who will be served by the new distribution facilities as a result of enhanced service, reliability and capacity, as well as improved safety. All new wires and equipment will be installed underground, which eliminates the threat of interrupted service by downed power lines due to wind and rain. Removal of the existing wood poles and the overhead wires will also aesthetically enhance all parcels that are directly adjacent to these facilities. By virtue of such benefits, the proposed improvements will increase the desirability and will specifically enhance the values of the properties within the Assessment District. Therefore, 100% of the proposed improvements are of direct and special benefit to the properties within the boundaries of this Assessment District.

All general benefits, if any, to the surrounding community and public in general from undergrounding of these local overhead utilities are intangible and are not quantifiable and are more

than adequately offset by the contribution to the project financing from sources other than the assessments.

Methodology

To establish the benefit to the individual parcels within the Assessment District, a Benefit Point system is used. Each parcel of land is assigned Benefit Points in proportion to the estimated special benefit the parcel receives relative to the other parcels within the Assessment District from the Utility Undergrounding Improvements. The highest and best use of each property is the basis on which the Benefit Points are assigned. For example, a vacant property is considered developed to its highest potential and connected to the system.

The special benefits from undergrounding the overhead utilities are segregated into three (3) categories, which are discussed below:

- **Improved Property Aesthetics Benefit.** This benefit relates to the improved aesthetics of the streetscape due to the removal of overhead wires and utility poles. The aesthetic benefit of removing poles and overhead lines adjacent to residential properties is deemed to be the same for all adjacent properties because the increase in property desirability from the construction of the improvements is considered the same. Residential parcels that are directly adjacent to streets with facilities being underground are considered to receive special benefit from the undergrounding project. Therefore, these properties are assigned one (1) Aesthetic Benefit Point (ABP) per parcel for Improved Property Aesthetics.

Poles and overhead lines being underground in alleys are not considered to provide significant aesthetic benefit, as the alleys are in the rear of the properties.

- Parcels that are adjacent to two streets, where only one street is part of the undergrounding project, are assigned half the benefit, or 0.5 ABP. (This applies to Asmt Nos. 27, 32, 37 and 38.)
 - Parcels that are adjacent to only one street, where that street is not part of the undergrounding project, are deemed to receive no aesthetic benefit and are assigned 0 ABP. (This applies to Asmt Nos. 28, 29, 30 and 31.)
 - Asmt No. 38, Naples Elementary School, is deemed to receive no aesthetic benefit from the undergrounding project, as improved aesthetics does not impact the desirability of a school property. Therefore, this property is assigned 0 ABP.
- **Improved Safety Benefit.** This benefit relates to the improved safety of having the overhead wires placed underground and having the power poles removed, which eliminates the threat of downed power lines and poles due to wind, rain and other unforeseeable events. All residential parcels that are directly adjacent to a street or alley with facilities being underground are considered to receive the same special benefit from the undergrounding project. Therefore, these residential properties are assigned one (1) Safety Benefit Point (SBP) for Improved Safety.
 - Residential parcels that are adjacent to two streets or alleys that are part of the undergrounding project, are assigned twice the benefit, or 2 SBP. (This applies to Asmt No. 26.)

- Asmt No. 31 is adjacent to an alley that is part of the undergrounding project, but the pole directly adjacent to this property will remain, which reduces the safety benefit to this property. Therefore, this property is assigned half the benefit, or 0.5 SBP.
- Asmt No. 38, Naples Elementary School, receives benefit from improved safety from the undergrounding project, and this benefit is related to the benefit to residential property by comparing the length of frontage along the undergrounding project. The average frontage of the residential properties on The Toledo in this Assessment District is 53 feet and The Toledo frontage of the school is 497.94 feet, which is 9.4 times as long as the average residential property frontage. Therefore, Asmt No. 38 is assigned 9.4 SBP's.
- **Improved Service Reliability Benefit.** This benefit relates to the enhanced reliability of service from the utilities being underground, due to having all new wires and equipment and having that equipment underground, which reduces the threat of service interruption from downed power lines. All properties that are connected to poles and wires that are to be underground are considered to receive this benefit and are assigned one (1) Reliability Benefit Point (RBP) for Improved Service Reliability.
 - Parcels that take no service from the wires or poles being underground receive no service reliability benefits and are therefore assigned 0 RBP. (This applies to Asmt Nos. 31, 35 and 37.)
 - Properties that receive service from only one or two of the three utilities are assigned RBP's based on their proportion of utilities they receive service from. Therefore, properties that receive only Cable service from the utilities being underground are assigned 1/3 RBP (this applies to Asmt No. 33), and properties that receive only Cable and Telephone service from the utilities being underground are assigned 2/3 RBP (the applies to Asmt No. 36).
 - Asmt No. 38, Naples Elementary School, receives benefit from improved service reliability, but has a back-up generator on the premises in case there are service interruptions. This reduces the benefit received by the school. Therefore, the benefit to the school from improved service reliability is considered to be half of what other parcels receive, so Asmt No. 38 is assigned 0.5 RBP's.

The three categories of Benefit Points are added together for each property to calculate the Total Benefit Points assigned to each property, as follows:

$$\begin{array}{ccccccc} \text{Aesthetics} & & \text{Safety} & & \text{Reliability} & & \text{Total} \\ \text{Benefit Points} & + & \text{Benefit Points} & + & \text{Benefit Points} & = & \text{Benefit Points} \end{array}$$

The following table provides an example of how the Benefit Points are calculated for the various land uses.

Sample Typical Benefit Point Calculation Table

Land Use	Aesthetics Benefit Points	+	Safety Benefit Points	+	Reliability Benefit Points	=	Total Benefit Points
SFR	1	+	1	+	1	=	3
SCHOOL	0	+	9.4	+	0.5	=	9.9

Exemptions:

The following types of parcels are considered to be exempt from the assessment due to their having no benefit from the improvements because they have virtually no potential for development:

- Parcels that are unbuildable because they are too small.
- Parcels that are too small for a dwelling unit but may have ancillary uses to other residential properties, such as Asmt. No. 16.

These properties are assigned 0 Benefit Points.

Exceptions:

- 5548 E The Toledo Street (the parcel directly east of Asmt No. 25) has overhead utility lines directly adjacent to its property, along the easterly side, and takes service from these lines. These lines are not proposed to be underground; therefore, this property is not deemed to receive any benefit from the proposed undergrounding project.
- 5429 E The Toledo Street (the parcel directly north of Asmt No. 26) takes its service from the pole in the alley that will remain after this underground project is constructed. Because this pole is located in the middle of this property, this parcel is not considered to receive either an enhanced safety benefit or an enhanced reliability benefit from the undergrounding project.

Assessment Apportionment

Based on the findings above, it is our conclusion that the improvements specially benefit all developable properties in the Assessment District in proportion to the number of Benefit Points calculated for each property, such that:

$$\begin{array}{ccccccc} \text{Aesthetics} & & \text{Safety} & & \text{Reliability} & & \text{Total} \\ \text{Benefit Points} & + & \text{Benefit Points} & + & \text{Benefit Points} & = & \text{Benefit Points} \end{array}$$

Incidental Expenses and Financing Costs have been assessed to the entire Assessment District on a prorata basis relative to the total construction cost allocations.

Complete calculations for each assessment, providing the Benefit Points, the construction portion of the assessment, and incidental and financial components of the assessment are included in the Appendix.

DATED: July 30, 2008

HARRIS & ASSOCIATES

JOAN E. COX, P.E.
R.C.E. No. 41965



MARK CHRISTOFFELS, P.E.
CITY ENGINEER
CITY OF LONG BEACH
STATE OF CALIFORNIA

I, _____, as CITY CLERK of the CITY OF LONG BEACH, CALIFORNIA do hereby certify that the foregoing Assessment, together with the Diagram attached thereto, was filed in my office on the ____ day of _____, 2008.

CITY CLERK
CITY OF LONG BEACH
STATE OF CALIFORNIA

I, _____, as CITY CLERK of the CITY OF LONG BEACH, CALIFORNIA do hereby certify that the foregoing Assessment, together with the Diagram attached thereto, was preliminarily approved by the City Council of the CITY OF LONG BEACH, CALIFORNIA, on the ____ day of _____, 2008.

CITY CLERK
CITY OF LONG BEACH
STATE OF CALIFORNIA

I, _____, as CITY CLERK of the CITY OF LONG BEACH, CALIFORNIA do hereby certify that the foregoing Assessment, together with the Diagram attached thereto, was approved and confirmed by the City Council of said City on the ____ day of _____, 2008.

CITY CLERK
CITY OF LONG BEACH
STATE OF CALIFORNIA

I, _____, as SUPERINTENDENT OF STREETS of the CITY OF LONG BEACH, CALIFORNIA do hereby certify that the foregoing Assessment, together with the Diagram attached thereto, was recorded in my office on the ____ day of _____, 2008.

SUPERINTENDENT OF STREETS
CITY OF LONG BEACH
STATE OF CALIFORNIA

Part IV

Annual Administrative Assessment

A proposed maximum annual administrative assessment shall be levied on each parcel of land and subdivision of land within the Assessment District to pay for necessary costs and expenses incurred by the CITY OF LONG BEACH, and not otherwise reimbursed, resulting from the administration and collection of assessments, from the administration or registration of any bonds and reserve or other related funds, or both. The maximum assessment is authorized pursuant to the provisions of Section 10204(f) of the Streets and Highways Code and shall not exceed five hundred dollars (\$500) per parcel, subject to an annual increase based on the annual change in the Consumer Price Index (CPI), during the preceding year ending in January, for all Urban Consumers in the Los Angeles, Riverside, and Orange County areas. The exact amount of the administration charge will be established each year by the Superintendent of Streets.

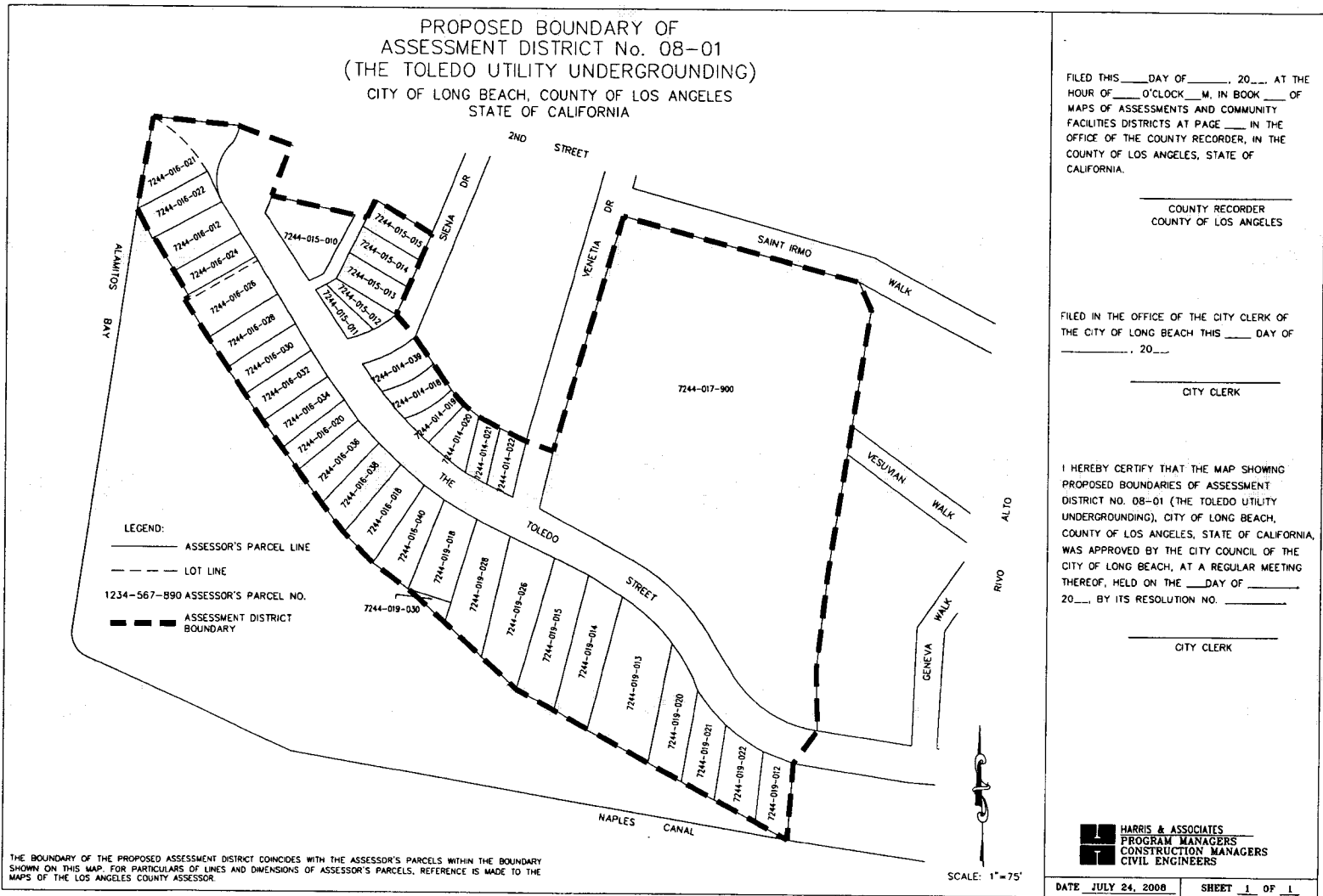
The annual administrative assessment will be collected in the same manner and in the same installments as the assessment levied to pay for the cost of the works of improvement.

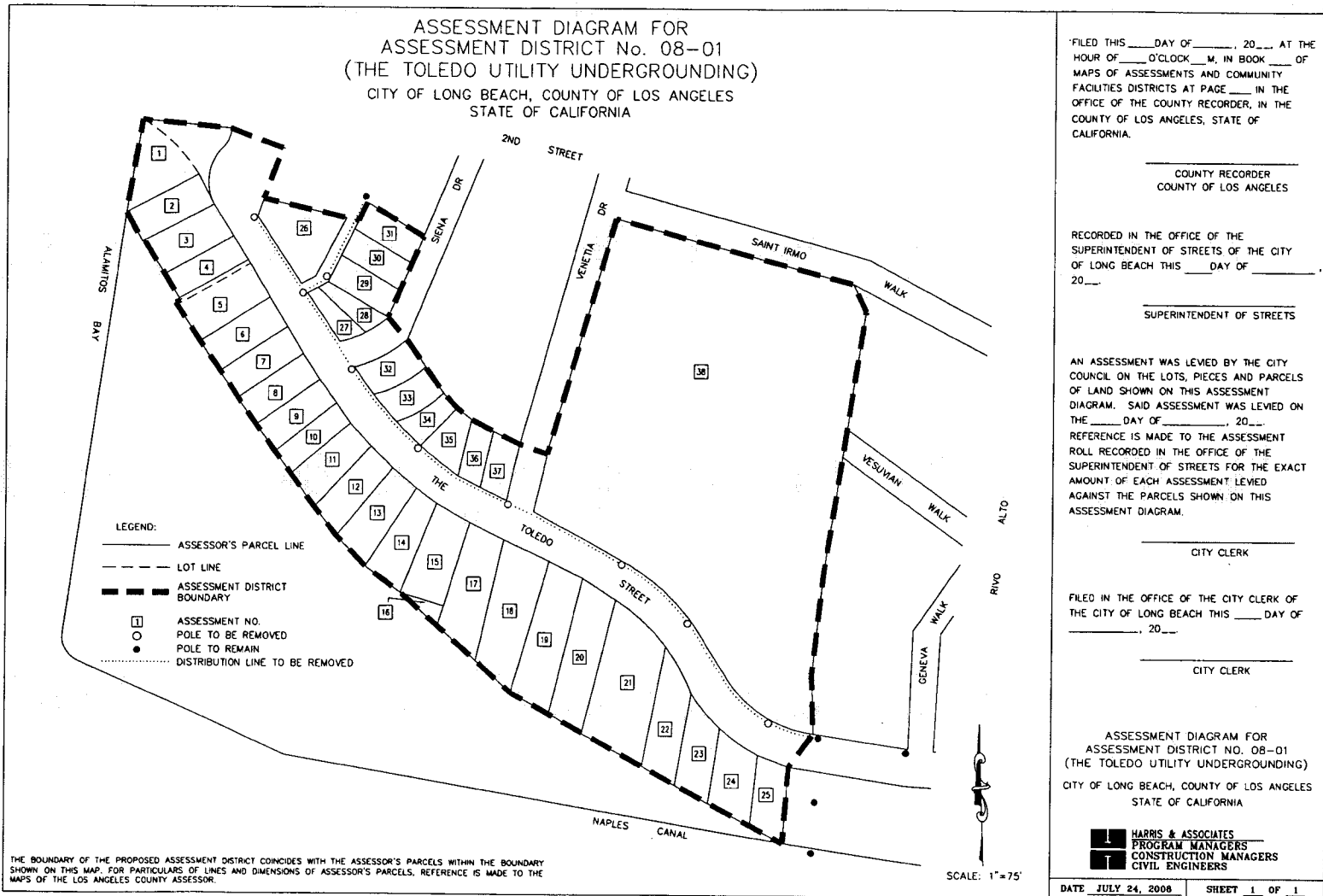
Part V

Boundary Map and Diagram of Assessment

A reduced copy of the Boundary Map and Assessment Diagram are attached hereto. Full-sized copies of the Boundary Map and Assessment Diagram are on file in the Office of the City Clerk, of the City of Long Beach.

As required by the Act, the Assessment Diagram shows the exterior boundaries of the assessment district and the assessment number assigned to each parcel of land corresponding to its number as it appears in the Assessment Roll contained in Part III Table 1. Reference is hereby made to the Assessor's Parcel Maps of the County of Los Angeles for the boundaries and dimensions of each parcel of land.





Part VI Description of Facilities

Below is a list of proposed improvements as allowed under the Law to be installed, or improved under the provisions of the Law, including the acquisition of required right-of-way and/or property. For the general location of the improvements to be constructed referenced is hereby made to the Plans and Specifications described in Part I of this report.

These improvements are proposed to be constructed and installed in the general location referred to as Assessment District No. 08-01 (The Toledo Utility Undergrounding).

The proposed facilities include the undergrounding of electric, telephone and cable on The Toledo south of Second Street and west of Geneva Walkway.

Improvements:

1. The removal of existing overhead power, telephone and cable wires and poles.
2. Removal of overhead resident service drops.
3. Construction of mainline underground power, telephone and cable conduit, with appurtenant manholes and pullboxes.
4. Construction of service conduit and appurtenances to property line.
5. Installation of new conductor within said conduit and underground structures by the utility companies.
6. Construction of street lighting conversion improvements.

These improvements will be designed by Southern California Edison, Verizon Telephone and Charter Cable. The City of Long Beach will inspect the work to ensure conformance to City standards and specifications where applicable.

Note: The foregoing improvements do not include any individual service connections on private properties. Each owner of property located within the Assessment District will be responsible for arranging for and paying for work on his or her property necessary to connect facilities constructed by the public utilities in the public streets and alleys to the points of connection on the private property.

Right-of-Way Certificate

**STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF LONG BEACH**

The undersigned hereby CERTIFIES UNDER PENALTY OF PERJURY that the following is all true and correct.

That at all time herein mentioned, the undersigned was, and now is, the authorized representative of the duly appointed SUPERINTENDENT OF STREETS of the CITY OF LONG BEACH, CALIFORNIA.

That there have now been instituted proceedings under the provisions of Article XIID of the California Constitution, and the "Municipal Improvements Act of 1913," being Division 12 of the Streets and Highways Code of the State of California, for the construction of certain public improvements in a special assessment district known and designated as ASSESSMENT DISTRICT NO. 08-01 (The Toledo Utility Undergrounding) (hereinafter referred to as the "Assessment District").

THE UNDERSIGNED STATES AND CERTIFIES AS FOLLOWS:

It is acknowledged that the proposed Works of Improvement must be located within public rights-of-way, land, or easements owned by or licensed to the CITY OF LONG BEACH, County of Los Angeles, State of California, at the time of the construction of the Works of Improvement, and the undersigned hereby further certifies that all rights-of-way necessary for the Works of Improvements will be obtained and in possession of the City, County, or State prior to construction by the CITY OF LONG BEACH.

EXECUTED this _____ day of _____, 2008, at CITY OF LONG BEACH, California.

SUPERINDENT OF STREETS
CITY OF LONG BEACH
State of California

By: _____
Mark Christoffels

Certificate of Completion of Environmental Proceedings

**STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF LONG BEACH**

The undersigned, under penalty of perjury, CERTIFIES as follows:

1. That I am the person who authorized to prepare and process all environmental documentation as needed as it relates to the formation of the special assessment district being formed pursuant to the provisions of the Long Beach Assessment District Procedural Ordinance, being Division IV of Chapter 3.52 of the Long Beach Municipal Code and, where applicable, the "Municipal Improvement Act of 1913" being Division 12 of the Streets and Highways Code of the State of California, said special Assessment district known and designated as ASSESSMENT DISTRICT NO. 08-01 (The Toledo Utility Undergrounding) (hereinafter referred to as the "Assessment District").
2. The specific environmental proceedings relating to this Assessment District that have been completed are as follows:

[CITY: PLEASE CONFIRM]

CEQA compliance review:

The proposed project is Categorically Exempt (Class 2) from the provisions of CEQA (replacement or reconstructions).

3. I do hereby certify that all environmental evaluation proceedings necessary for the formation of the Assessment District have been completed to my satisfaction, and that no further environmental proceedings are necessary.

EXECUTED this _____ day of _____, 2008, at CITY OF LONG BEACH, California.

By: _____
Mark Christoffels
CITY OF LONG BEACH
STATE OF CALIFORNIA

APPENDIX

Assessment Calculations

Parcel Address	Asmt No.	APN	Land Use	BENEFIT POINTS						ASSESSMENT CALCULATIONS					
				Aesthetics Benefit Points	+	Safety Benefit Points	+	Reliability Benefit Points	=	Total Benefit Points	Construction Costs	Incidental Costs	Financing Costs	Total Assessment	
5430 E THE TOLEDO	1	7244-016-021	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5436 E THE TOLEDO	2	7244-016-022	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5438 E THE TOLEDO	3	7244-016-012	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5446 E THE TOLEDO	4	7244-016-024	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5450 E THE TOLEDO	5	7244-016-026	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5456 E THE TOLEDO	6	7244-016-028	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5460 E THE TOLEDO	7	7244-016-030	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5464 E THE TOLEDO	8	7244-016-032	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5468 E THE TOLEDO	9	7244-016-034	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5472 E THE TOLEDO	10	7244-016-020	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5474 E THE TOLEDO	11	7244-016-036	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5480 E THE TOLEDO	12	7244-016-038	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5484 E THE TOLEDO	13	7244-016-018	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5488 E THE TOLEDO	14	7244-016-040	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5490 E THE TOLEDO	15	7244-019-018	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5490 E THE TOLEDO	16	7244-019-030	SFR	0.0	+	0.0	+	0.00	=	0.00	\$0.00	\$0.00	\$0.00	\$0.00	
5494 E THE TOLEDO	17	7244-019-028	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5500 E THE TOLEDO	18	7244-019-026	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5508 E THE TOLEDO	19	7244-019-015	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5518 E THE TOLEDO	20	7244-019-014	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5528 E THE TOLEDO	21	7244-019-013	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5530 E THE TOLEDO	22	7244-019-020	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5534 E THE TOLEDO	23	7244-019-021	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5538 E THE TOLEDO	24	7244-019-022	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5544 E THE TOLEDO	25	7244-019-012	SFR	1.0	+	1.0	+	1.00	=	3.00	\$30,033.36	\$2,997.22	\$4,087.12	\$37,117.70	
5437 E THE TOLEDO	26	7244-015-010	2DU	1.0	+	2.0	+	1.00	=	4.00	\$40,044.49	\$3,996.29	\$5,449.49	\$49,490.27	
105 SIENA DR	27	7244-015-011	SFR	0.5	+	1.0	+	1.00	=	2.50	\$25,027.80	\$2,497.68	\$3,405.93	\$30,931.41	
115 SIENA DR	28	7244-015-012	SFR	0.0	+	1.0	+	1.00	=	2.00	\$20,022.24	\$1,998.15	\$2,724.74	\$24,745.13	
117 SIENA DR	29	7244-015-013	SFR	0.0	+	1.0	+	1.00	=	2.00	\$20,022.24	\$1,998.15	\$2,724.74	\$24,745.13	
123 SIENA DR	30	7244-015-014	SFR	0.0	+	1.0	+	1.00	=	2.00	\$20,022.24	\$1,998.15	\$2,724.74	\$24,745.13	
125 SIENA DR	31	7244-015-015	SFR	0.0	+	0.5	+	0.00	=	0.50	\$5,005.56	\$499.54	\$681.19	\$6,186.29	
5467 E THE TOLEDO	32	7244-014-039	SFR	0.5	+	1.0	+	1.00	=	2.50	\$25,027.80	\$2,497.68	\$3,405.93	\$30,931.41	
5471 E THE TOLEDO	33	7244-014-018	SFR	1.0	+	1.0	+	0.33	=	2.33	\$23,359.28	\$2,331.17	\$3,178.87	\$28,869.32	
5475 E THE TOLEDO	34	7244-014-019	SFR	1.0	+	1.0	+	0.00	=	2.00	\$20,022.24	\$1,998.15	\$2,724.74	\$24,745.13	
5481 E THE TOLEDO	35	7244-014-020	SFR	1.0	+	1.0	+	0.00	=	2.00	\$20,022.24	\$1,998.15	\$2,724.74	\$24,745.13	
5485 E THE TOLEDO	36	7244-014-021	SFR	1.0	+	1.0	+	0.67	=	2.67	\$26,696.32	\$2,664.19	\$3,632.99	\$32,993.50	
101 VENETIA DR	37	7244-014-022	SFR	0.5	+	1.0	+	0.00	=	1.50	\$15,016.68	\$1,498.61	\$2,043.56	\$18,558.85	
Naples Elem. School	38	7244-017-900	SCHOOL	0.0	+	9.4	+	0.50	=	9.90	\$99,110.23	\$9,890.81	\$13,487.46	\$122,488.50	
Totals:											107.90	\$1,080,200.00	\$107,800.00	\$147,000.00	\$1,335,000.00

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH OF INTENTION TO ORDER
IMPROVEMENTS AND TO FORM ASSESSMENT DISTRICT
NO. 08-01 (THE TOLEDO UTILITY UNDERGROUNDING)

WHEREAS, the City Engineer of the City of Long Beach (the "City") has received a petition (the "Petition") from owners of land on The Toledo south of Second Street and west of Geneva Walkway in the City requesting that the City Council initiate and conduct proceedings for the formation of an assessment district for the purpose of financing a portion of the costs of the undergrounding of electric, telephone and cable lines as more particularly described in Exhibit A to this Resolution (the "Improvements"); and

WHEREAS, it appears to the City Council that an assessment district should be formed for such purpose to enhance public safety, improve aesthetics and enhance the reliability of service from the utilities being undergrounded; and

WHEREAS, the City Council proposes to accomplish the formation of the assessment district pursuant to the Long Beach Assessment District Procedural Ordinance, being Division IV of Chapter 3.52 of the Long Beach Municipal Code (the "Code") and, where applicable, the Municipal Improvement Act of 1913, being Division 12 of the California Streets and Highways Code (the "Act"), and to finance a portion of the costs of the Improvements by means of the issuance of municipal bonds pursuant to the Code and, where applicable, the Improvement Bond Act of 1915, being Division 10 of the California Streets and Highways Code (the "Bond Act"); and

WHEREAS, the proposed territory and boundaries of the assessment district are shown on a map (the "Map"), which is on file in the office of the City Clerk; and

WHEREAS, the City Council now desires to express its intention to order

1 the Improvements and to form the assessment district;

2 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
3 follows:

4 Section 1. The City Council hereby finds and declares that the public
5 interest and necessity require the construction of the Improvements, as hereinafter
6 described, and the City Council hereby declares its intention to order the Improvements
7 and to form an assessment district covering the real property benefited by the
8 Improvements. The proposed assessment district (the "Assessment District") shall be
9 designated "Assessment District No. 08-01 (The Toledo Utility Undergrounding)."

10 Section 2. The City Council hereby accepts the Petition and, based on a
11 certification by the City Engineer, finds and determines that the Petition generally
12 describes the boundaries of the Assessment District, generally describes the proposed
13 Improvements and requests that proceedings for the Improvements be taken pursuant to
14 the Code, and that the Petition has been signed by the owners of land within the
15 Assessment District on which more than one-half of the proposed assessments are to be
16 levied. The Petition has been filed in the office of the City Engineer and shall remain
17 open to public inspection.

18 Section 3. The Improvements, in the opinion of this City Council, are of
19 more than local or ordinary public benefit, and the cost and expenses thereof are made
20 chargeable upon the Assessment District, the exterior boundaries of which are shown on
21 the Map. The Map, in the form on file with the City Clerk, is hereby approved, and shall
22 govern for all details as to the extent of the Assessment District. The City Clerk is hereby
23 directed to endorse the City Clerk's certificate on the Map evidencing the date and
24 adoption of this Resolution. The City Clerk is hereby directed to retain the Map in the
25 City Clerk's office and, within 15 days after the adoption of this Resolution, file a copy of
26 the Map in the office of the County Recorder of the County of Los Angeles. The City
27 Clerk is hereby authorized to pay any and all fees required by the County Recorder to
28 record the map.

1 Section 4. The City Council intends to levy a special assessment upon
2 the land within the Assessment District, as indicated on the Map referenced in Section 3
3 above, in accordance with the special benefit to be received by each parcel of land,
4 respectively, from the Improvements.

5 Section 5. Where any disparity occurs in level or size between the
6 Improvements and private property, the City Council determines that it is in the public
7 interest and more economical to eliminate the disparity by doing work on the private
8 property instead of adjusting the work on public property. Accordingly, work may be done
9 on private property for this purpose with the written consent of the applicable landowner.

10 Section 6. Notice is hereby given that serial and/or term bonds to
11 represent unpaid assessments to be levied in the Assessment District, and to bear
12 interest at a rate not to exceed the maximum rate provided by law, shall be issued
13 pursuant to the Code and, as applicable, the Bond Act, and that the applicable provisions
14 of Part 11.1 of the Bond Act, providing an alternative procedure for the advance payment
15 of assessments and the calling of bonds, may apply. The last installment of such bonds
16 shall mature not to exceed thirty (30) years from the second day of September next
17 succeeding twelve (12) months from their date.

18 Section 7. The City Council finds and declares that a special reserve
19 fund as provided in Part 16 of the Bond Act (commencing with Section 8880) shall be
20 required, the amount thereof to be fixed and determined upon the sale of bonds for the
21 Assessment District.

22 Section 8. The City Council hereby covenants with the owners of said
23 assessment bonds to be issued that it will commence and thereafter diligently prosecute
24 to completion foreclosure actions regarding delinquent installments of the assessments,
25 as will be more fully specified in the resolution of the City Council authorizing the
26 issuance of said assessment bonds.

27 Section 9. Notice is further given that the City will not obligate itself to
28 advance available funds from the City general fund to cure any deficiency which may

1 occur in the bond redemption fund for the bonds.

2 Section 10. The procedure for the collection of assessments and advance
3 retirement of bonds shall be as provided in Part 11.1 of Division 10 of the Bond Act.

4 Section 11. It is further determined pursuant to California Streets and
5 Highways Code Section 8571.5, that the bonds may be refunded in the manner provided
6 by Division 11.5 of the California Streets and Highways Code if the City Council
7 determines that it is in the public interest or otherwise necessary or appropriate to do so.

8 Section 12. Notice is hereby given that, in the opinion of the City Council
9 the public interest and convenience require, and that it is the intention of the City Council,
10 that administrative expenses shall be added to each annual installment of the unpaid
11 assessments to pay costs incurred by the City and not otherwise reimbursed, which
12 result from the administration of the bonds and reserve or other related funds, all as set
13 forth in Section 10312 of the Act.

14 Section 13. Notice is hereby further given that pursuant to Section 8682.1
15 of the Bond Act, in addition to or as a part of the assessment lien levied against each
16 parcel of land within the Assessment District, each parcel of land shall also be subject to
17 an annual assessment to pay costs incurred by the City which result from the expenses
18 of (i) registration of any bonds and (ii) compliance with federal arbitrage laws. The
19 amounts collected will be based on actual administrative expenses or projected
20 administrative expenses, and no maximum need be stated in the Engineer's Report
21 referenced in Section 15 below. If the City performs any transfer, registration,
22 authentication, payment or other related registration function, the City may be reimbursed
23 for its actual expenses, including a pro rata amount of the salaries of the City employees
24 involved in the performance of these functions. In addition, no public hearing shall be
25 required prior to their levy. These costs are to be distinguished from the costs of
26 reimbursing the City for non-registration administrative expenses, described in Section 12
27 above, for which an annual estimate will be provided in the Engineer's Report.

28 Section 14. Notice is hereby given that this City Council intends to comply

1 with the requirements of the Special Assessment Investigation, Limitation and Majority
2 Protest Act of 1931 ("Division 4") by proceeding under Part 7.5 thereof. The following
3 information shall be included in the Engineer's Report prepared pursuant to Section 15
4 below.

5 A. The total amount, as near as may be determined, of the total
6 principal amount of all unpaid special assessments and special
7 assessments required or proposed to be levied under any completed or
8 pending assessment proceedings, other than that contemplated in these
9 proceedings, which would require an investigation and report under Division
10 4 against the total area proposed to be assessed.

11 B. The total true value, as near as may be determined, of the
12 parcels of land and improvements which are proposed to be assessed.
13 Total true value may be estimated as the full cash value of the parcels as
14 shown upon the last equalized assessment roll of the County of Los
15 Angeles. Alternatively, total true value may be determined by other
16 reasonable means, including, but not limited to, by adjusting the value
17 shown on the last equalized assessment roll to correct for deviations from
18 market value due to Article XIII A of the California Constitution.

19 Section 15. The Improvements are hereby referred to the City Engineer,
20 who is hereby appointed as the Engineer of Work for the Assessment District, and the
21 Engineer of Work is hereby directed to make and file, or cause to be made and filed, with
22 the City Clerk a report (the "Engineer's Report") in writing, presenting the following, as
23 applicable:

24 A. A brief description of the acquisition or installation of any
25 Improvement proposed to be financed, which description may refer to any
26 plans and specifications for the proposed Improvements.

27 B. An estimate of the total cost of the Improvements, an estimate
28 of the amount which would be borne by the City, if any, and the amount to

1 be assessed against the benefited lands within the Assessment District.

2 C. A diagram showing, as they existed at the time of the passage
3 of this Resolution, all of the following: (i) the boundaries of the Assessment
4 District; (ii) reference to County of Los Angeles Assessor's parcel numbers
5 or other identification of parcels within the Assessment District; and (iii) the
6 boundaries and dimensions of the parcels of land or subdivisions of land
7 within the Assessment District.

8 D. A proposed assessment of the total amount of the cost and
9 expenses of the proposed Improvements upon the several parcels or
10 subdivisions of land in the Assessment District in proportion to the
11 estimated special benefits to be received by such parcels or subdivisions,
12 respectively, from the Improvements.

13 E. A proposed maximum assessment upon each of the several
14 subdivisions of land in the Assessment District to pay costs incurred by the
15 City and not otherwise reimbursed which result from the administration and
16 collection of assessments or from the administration of any associated
17 bonds and reserve or other related funds.

18 Section 16. If any excess shall be realized from the assessment it shall be
19 used, in such amounts as the City Council may determine, in accordance with the
20 provisions of law for one or more of the following purposes:

21 A. for transfer to the general fund of the City, provided that the
22 amount of any such transfer shall not exceed the lesser of \$1,000 or five
23 percent (5%) of the total amount expended from the Assessment District
24 improvement fund;

25 B. as a credit upon the assessment and any supplemental
26 assessment in accordance with the provisions of Section 10427.1 of the
27 California Streets and Highways Code;

28 C. for the maintenance of the Improvements or a specified part

1 thereof; or

2 D. to call bonds, thereby reducing outstanding assessments and
3 subsequent assessment installments. In the event that the City Council
4 determines to use all or some portion of the surplus to call bonds prior to
5 maturity, the City shall do each of the following:

6 1. Cause the special reserve fund, if any, to be reduced
7 as necessary pursuant to Section 8887 of the California Streets and
8 Highways Code to assure that the bonds will not become subject to federal
9 income taxation.

10 2. Cause any assessment previously paid in cash to
11 receive a credit in cash pursuant to subdivision (b) of Section 10427.1 of
12 the California Streets and Highways Code for the proportionate share of the
13 surplus as determined pursuant to subdivision (a) of Section 10427.1 of the
14 California Streets and Highways Code.

15 3. Cause the preparation of new auditor's records to
16 reflect the adjusted principal amount of the remaining assessments. All
17 subsequent assessment installments shall be based upon the adjusted
18 principal amount of the assessments as reflected in the revised auditor's
19 record.

20 Section 17. Pursuant to Section 20487 of the California Public Contract
21 Code, in the opinion of the City Council, the public interest will not be served by allowing
22 owners of property in the proposed Assessment District to enter into a contract for the
23 performance of any of the work of the Improvements herein referenced, so that no notice
24 of award of contract shall be published.

25 Section 18. It is hereby acknowledged that, for all purposes of the Code,
26 the Act and the Bond Act, the City Engineer is the Superintendent of Streets for the City.

27 Section 19. The firm of Quint & Thimmig LLP is hereby designated as
28 Bond Counsel to the City with respect to the Assessment District and any bonds to be

issued to finance the Improvements. The City Attorney is hereby authorized to execute an agreement with said firm for its services related to the Assessment District and any such bonds, in a form acceptable to the City Attorney.

Section 20. The firm of Harris & Associates is hereby requested to assist the City Engineer with the preparation of the Engineer's Report and otherwise in connection with the formation of the Assessment District and the issuance of bonds for the Assessment District. The City Engineer is hereby authorized to execute an agreement with said firm for its services related to the Assessment District and any such bonds, in a form acceptable to the City Engineer.

Section 21. This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting this resolution.

I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 2008, by the following vote:

Ayes: Councilmembers:

Noes: Councilmembers:

Absent: Councilmembers:

City Clerk

HAM:fl
7/30/08
#A08-02295

EXHIBIT A

DESCRIPTION OF WORK

The proposed facilities include the undergrounding of electric, telephone and cable on The Toledo south of Second Street and west of Geneva Walkway.

Improvements:

1. The removal of existing overhead power, telephone and cable wires and poles.
2. Removal of overhead resident service drops.
3. Construction of mainline underground power, telephone and cable conduit, with appurtenant manholes and pullboxes.
4. Construction of service conduit and appurtenances to property line.
5. Installation of new conductor within said conduit and underground structures by the utility companies.
6. Construction of street lighting conversion improvements.

Note: The foregoing improvements do not include any individual service connections on private properties.