

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

1 RESOLUTION NO. RES-22-0134

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH, CALIFORNIA, AUTHORIZING
5 THE ISSUANCE OF TIDELANDS REVENUE REFUNDING
6 BONDS, SERIES 2022 IN A PRINCIPAL AMOUNT NOT TO
7 EXCEED \$38,000,000, AND APPROVING RELATED
8 DOCUMENTS AND ACTIONS

9
10 WHEREAS, the City Council of the City of Long Beach (the "City") has
11 determined to authorize the issuance of City of Long Beach Tidelands Revenue
12 Refunding Bonds, Series 2022 (the "Bonds") pursuant to an indenture of trust (the
13 "Indenture"), by and between the City and U.S. Bank Trust Company, National
14 Association, as trustee (the "Trustee"), to refund bonds issued in 2012 (the "2012 Bonds")
15 by the Long Beach Bond Finance Authority (the "Authority") for the benefit of the
16 Aquarium of the Pacific; and

17 WHEREAS, the Bonds will be special obligations of the City, will be payable
18 solely from and secured by a pledge of certain Available Tidelands Oil Revenue,
19 Available Tidelands Operating Revenue, and Available Tidelands Operating Fund
20 Balance (together, the "Tidelands Revenues"), as such capitalized terms are defined in
21 the Indenture; and

22 WHEREAS, Morgan Stanley & Co. LLC, Cabrera Capital Markets, LLC and
23 Stern Brothers & Co. (collectively, the "Underwriters") have proposed to purchase the
24 Bonds and have presented to the City a form of bond purchase agreement for the Bonds,
25 to be entered into between the City and the Underwriters (the "Bond Purchase
26 Agreement"); and

27 WHEREAS, a form of official statement (the "Preliminary Official
28 Statement") describing the Bonds, to be used in connection with the marketing of the

1 Bonds by the Underwriters, has been prepared; and

2 WHEREAS, a form of a continuing disclosure certificate (the “Disclosure
3 Certificate”), providing for ongoing disclosure of matters related to the Bonds, has been
4 prepared; and

5 WHEREAS, the Bonds will be secured by a pledge of the Tidelands
6 Revenues on a parity with the City’s outstanding City of Long Beach Tidelands Revenue
7 Bonds, Series 2017A (Aquarium of the Pacific Project) and City of Long Beach Taxable
8 Tidelands Revenue Bonds, Series 2017B (Queen Mary Improvements) issued pursuant
9 to an Indenture of Trust, dated as of November 1, 2017 (the “2017 Indenture”), between
10 the City and U.S. Bank Trust Company, National Association, currently serving as trustee
11 thereunder, and incident to the redemption of the 2012 Bonds certain amendments to the
12 2017 Indenture need to be made as set forth in a First Supplemental Indenture of Trust
13 which has been prepared, and a site lease between the City and the Authority needs to
14 be terminated and superseded by a lease agreement between the City and the Aquarium
15 of the Pacific, a form of which has been prepared; and

16 WHEREAS, also in connection with the redemption of the 2012 Bonds, a
17 parking agreement between the City and the Aquarium of the Pacific needs to be
18 replaced by a revised parking agreement so that the parking revenues described therein
19 are remitted to the proper party following such redemption, and a form of which revised
20 parking agreement has been prepared; and

21 WHEREAS, pursuant to Section 5852.1 of the California Government Code,
22 certain information relating to the Bonds is set forth in Exhibit “A” attached to this
23 Resolution, and such information is hereby disclosed and made public; and

24 WHEREAS, following the adoption of this Resolution, all conditions, things
25 and acts required to exist, to have happened and to have been performed precedent to
26 and in the issuance of the Bonds as contemplated by this Resolution and the documents
27 referred to herein, will exist, will have happened and will have been performed in due
28 time, form and manner as required by the laws of the State of California, including the

1 Law; and

2 WHEREAS, the City Council has duly considered the transactions
3 contemplated by the documents referred to above and wishes at this time to approve the
4 issuance of the Bonds and such documents in the public interests of the City;

5 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
6 follows:

7 Section 1. Issuance of the Bonds; Approval of Indenture. The City
8 Council hereby authorizes the issuance of the Bonds in a maximum aggregate principal
9 amount of \$38,000,000. The Bonds shall be issued under the provisions of Division 1 of
10 Chapter 3.52 of Title 3 of the City's Municipal Code and pursuant to the Indenture, for the
11 purpose of providing funds to refund the 2012 Bonds, as well as to pay the costs of
12 issuance of the Bonds and to acquire a reserve fund insurance policy for the Bonds.

13 The City Council hereby approves the Indenture in the form on file with the
14 City Clerk. The City Manager, the Director of Financial Management and the City
15 Treasurer (each a "Designated Officer"), each acting alone, are hereby authorized and
16 directed to execute, for and in the name of the City, the Indenture in such form, together
17 with any changes therein or additions thereto deemed advisable by the Designated
18 Officer executing the Indenture upon consultation with the City Attorney and Bond
19 Counsel, and the execution and delivery of the Indenture by a Designated Officer shall be
20 conclusive evidence of the approval of any such changes or additions. The City Council
21 hereby authorizes the delivery and performance by the City of the Indenture.

22 Section 2. Sale of Bonds. The City Council hereby approves the sale of
23 the Bonds to the Underwriters pursuant to the Bond Purchase Agreement in the form on
24 file with the City Clerk. The Designated Officers, each acting alone, are hereby
25 authorized and directed to execute, for and in the name of the City, the Bond Purchase
26 Agreement in such form, together with any changes therein or additions thereto deemed
27 advisable by the Designated Officer executing the Bond Purchase Agreement upon
28 consultation with the City Attorney and Bond Counsel (so long as: the principal amount of

1 the Bonds does not exceed \$38,000,000, the maximum true interest cost of the Bonds is
2 not greater than 5.00%, and the Underwriters' discount is not greater than 0.50% of the
3 aggregate initial principal amount of the Bonds), and the execution and delivery of the
4 Bond Purchase Agreement by a Designated Officer shall be conclusive evidence of the
5 approval of any such changes or additions. The City Council hereby authorizes the
6 delivery and performance by the City of the Bond Purchase Agreement.

7 Section 3. Disclosure Certificate. The City Council hereby approves the
8 Disclosure Certificate in the form on file with the City Clerk. The Designated Officers,
9 each acting alone, are hereby authorized and directed to execute, for and in the name of
10 the City, the Disclosure Certificate in such form, together with any changes therein or
11 additions thereto deemed advisable by the Designated Officer executing the Disclosure
12 Certificate upon consultation with the City Attorney and Disclosure Counsel, and the
13 execution and delivery of the Disclosure Certificate by a Designated Officer shall be
14 conclusive evidence of the approval of any such changes or additions. The City Council
15 hereby authorizes the delivery and performance by the City of the Disclosure Certificate.

16 Section 4. Official Statement. The City Council hereby approves, and
17 hereby deems nearly final within the meaning of Rule 15c2-12 of the Securities Exchange
18 Act of 1934, as amended (the "Rule"), the Preliminary Official Statement in the form on
19 file with the City Clerk. The Designated Officers, each acting alone, are hereby
20 authorized and directed to execute an appropriate certificate stating the City's
21 determination that the Preliminary Official Statement is nearly final within the meaning of
22 the Rule. Distribution of the Preliminary Official Statement in connection with the sale of
23 the Bonds is hereby approved. The Designated Officers, each acting alone, are hereby
24 authorized and directed, upon consultation with the City Attorney and Disclosure
25 Counsel, to approve any changes in or additions to the Preliminary Official Statement
26 deemed necessary or desirable to bring it into the form of a final official statement (the
27 "Final Official Statement"), and the Final Official Statement shall be executed in the name
28 and on behalf of the City by a Designated Officer whose execution thereof shall be

1 conclusive evidence of approval of any such changes and additions. The City Council
2 hereby authorizes the distribution of the Final Official Statement by the Underwriter in
3 connection with the sale of the Bonds.

4 Section 5. First Supplemental Indenture of Trust. The City Council
5 hereby approves the First Supplemental Indenture of Trust (the “Supplemental
6 Indenture”) amending the 2017 Indenture (as defined in the Indenture) in the form on file
7 with the City Clerk. The Designated Officers, each acting alone, are hereby authorized
8 and directed to execute, for and in the name of the City, the Supplemental Indenture in
9 such form, together with any changes therein or additions thereto deemed advisable by
10 the Designated Officer executing the Supplemental Indenture upon consultation with the
11 City Attorney and Bond Counsel, and the execution and delivery of the Supplemental
12 Indenture by a Designated Officer shall be conclusive evidence of the approval of any
13 such changes or additions. The City Council hereby authorizes the delivery and
14 performance by the City of the Supplemental Indenture.

15 Section 6. Termination Agreement. The City Council hereby approves
16 the Termination Agreement (the “Termination Agreement”) terminating the Site Lease,
17 dated as of April 1, 2001, and amended by a First Amendment to Site Lease, dated as of
18 March 1, 2012, each between the City and the Authority, in the form on file with the City
19 Clerk. The Designated Officers, each acting alone, are hereby authorized and directed to
20 execute, for and in the name of the City, the Termination Agreement in such form,
21 together with any changes therein or additions thereto deemed advisable by the
22 Designated Officer executing the Termination Agreement upon consultation with the City
23 Attorney and Bond Counsel, and the execution and delivery of the Termination
24 Agreement by a Designated Officer shall be conclusive evidence of the approval of any
25 such changes or additions. The City Council hereby authorizes the delivery and
26 performance by the City of the Termination Agreement.

27 Section 7. Lease Agreement. The City Council hereby approves the
28 Lease Agreement (the “Lease Agreement”) that provides for the lease of the aquarium

1 facility to the Aquarium of the Pacific in replacement for a lease of the facility between the
2 Authority and the Aquarium of the Pacific, in the form on file with the City Clerk. The
3 Designated Officers, each acting alone, are hereby authorized and directed to execute,
4 for and in the name of the City, the Lease Agreement in such form, together with any
5 changes therein or additions thereto deemed advisable by the Designated Officer
6 executing the Lease Agreement upon consultation with the City Attorney and Bond
7 Counsel, and the execution and delivery of the Lease Agreement by a Designated Officer
8 shall be conclusive evidence of the approval of any such changes or additions. The City
9 Council hereby authorizes the delivery and performance by the City of the Lease
10 Agreement.

11 Section 8. Revised Parking Agreement. The City Council hereby
12 approves the Revised Parking Agreement (the "Revised Parking Agreement") that
13 supersedes the Parking Agreement, dated as of April 1, 2001, and amended by a First
14 Amendment to Parking Agreement, dated as of March 1, 2012, each between the City
15 and the Aquarium of the Pacific, in the form on file with the City Clerk. The Designated
16 Officers, each acting alone, are hereby authorized and directed to execute, for and in the
17 name of the City, the Revised Parking Agreement in such form, together with any
18 changes therein or additions thereto deemed advisable by the Designated Officer
19 executing the Revised Parking Agreement upon consultation with the City Attorney and
20 Bond Counsel, and the execution and delivery of the Revised Parking Agreement by a
21 Designated Officer shall be conclusive evidence of the approval of any such changes or
22 additions. The City Council hereby authorizes the delivery and performance by the City of
23 the Revised Parking Agreement.

24 Section 9. Designation of Counsel. The law firm of Quint & Thimmig LLP
25 is hereby designated as Bond Counsel, and the firm of Stradling Yocca Carlson & Rauth,
26 a Professional Corporation is hereby designated as Disclosure Counsel with respect to
27 the Bonds. The City Attorney is hereby authorized and directed to execute agreements
28 with said firms for their services in connection with the Bonds in form and substance

1 acceptable to the City Attorney.

2 Section 10. Designation of Municipal Advisor. The firm of KNN Public
3 Finance, is hereby designated as municipal advisor to the City with respect to the Bonds.
4 The City Treasurer is hereby authorized and directed to execute an agreement with said
5 firm for its services in connection with the Bonds, in form and substance acceptable to
6 the Treasurer.

7 Section 11. Official Actions. The City Manager, the Director of Financial
8 Management, the City Treasurer, the City Clerk and all other officers of the City are each
9 authorized in the name and on behalf of the City to obtain an insurance policy
10 guaranteeing payment of the debt service on all or a portion of the Bonds, as well as a
11 Reserve Account Insurance Policy (as defined in the Indenture) for the Bonds, in each
12 case if determined by any such officer, upon consultation with the Municipal Advisor,
13 determines one or both of such policies to be in the best economic interest of the City,
14 and to make any and all assignments, and to execute any and all certificates,
15 requisitions, agreements, notices, consents, instruments of conveyance, warrants and
16 other documents, which they or any of them deem necessary or appropriate in order to
17 consummate the sale and issuance of the Bonds and any of the other transactions
18 contemplated by the documents approved pursuant to this Resolution. Whenever in this
19 Resolution any officer of the City is authorized to execute or countersign any document or
20 take any action, such execution, countersigning or action may be taken on behalf of such
21 officer by any person designated by such officer to act on his or her behalf in the case
22 such officer shall be absent or unavailable.

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

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I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of August 9, 2022 by the following vote:

Ayes: Councilmembers: Zendejas, Allen, Price, Supernaw, Mungo, Saro, Uranga, Austin, Richardson.

Noes: Councilmembers: None.

Absent: Councilmembers: None.

Recusal(s): Councilmembers: None.


for Monique Deba Garza
City Clerk

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EXHIBIT "A"

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

The following information consists of estimates that have been provided by the Municipal Advisor which have been represented to have been provided in good faith:

- (A) True Interest Cost of the Bonds: 3.03%
- (B) Finance Charges: \$560,342
- (C) Net Proceeds to be Received: \$35,088,305 (net of Finance Charges)
- (D) Total Payment Amount through Maturity (sum of all 2022 Bond debt service):
\$39,601,770

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing at the time of preparation of such estimates on July 8, 2022.

The principal amount of the Bonds, the true interest cost of the Bonds, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date used for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the estimated amount used for purposes of such estimates, (c) the actual principal amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates on the Bonds at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the City's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of the Bonds sold will be determined based on the timing of the need for proceeds of the Bonds

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1 and other factors. The actual interest rate on the Bonds will depend on market interest
2 rates at the time of sale thereof. The actual amortization of the principal of the Bonds will
3 also depend, in part, on market interest rates at the time of sale thereof. Market interest
4 rates are affected by economic and other factors beyond the control of the City.

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