OFFICE OF THE CITY ATTORNEY ROBERT E. SHANNON, City Attorney 333 West Ocean Boulevard, 11th Floor

Beach, CA 90802-4664

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH LEVYING SPECIAL TAXES WITHIN THE CITY OF LONG BEACH COMMUNITY FACILITIES DISTRICT NO. 2011-1 (DOUGLAS PARK – NORTH OF COVER STREET AREA – SERVICES LEVY)

WHEREAS, on January 4, 2011, this City Council of the City of Long Beach (the "City") adopted Resolution No. RES-11-0003 entitled "A Resolution of the City Council of the City of Long Beach Declaring Its Intention to Establish a Community Facilities District and to Authorize the Levy of Special Taxes Therein – Douglas Park North of Cover Street Area – Services Levy" (the "Resolution of Intention"), stating its intention to establish the City of Long Beach Community Facilities District No. 2011-1 (Douglas Park – North of Cover Street Area – Services Levy) (the "District") pursuant to the Long Beach Special Tax Financing Improvement Law, Section 3.52.511 et seq. of the Long Beach Municipal Code (the "Law"), to provide funds to pay the costs of certain

WHEREAS, notice was published as required by the Law of the public hearing to occur on January 18, 2011, as called pursuant to the Resolution of Intention, relative to the intention of this City Council to form the District to provide for costs of the Services; and

WHEREAS, the public hearing was held on January 18, 2011, and at the public hearing all persons desiring to be heard on all matters pertaining to the formation of the District and the levy of special taxes in the District were heard, substantial evidence was presented and considered by this City Council and a full and fair hearing was held; and

WHEREAS, subsequent to the close of the public hearing, this City Council

municipal services (the "Services"); and

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adopted Resolution No. RES-11- 0005 entitled "A Resolution of the City Council of
the City of Long Beach of Formation of the City of Long Beach Community Facilities
District No. 2011-1 (Douglas Park – North of Cover Street Area – Services Levy),
Authorizing the Levy of a Special Tax Within the District, Preliminarily Establishing an
Appropriations Limit for the District, and Submitting Levy of the Special Tax and the
Establishment of the Appropriations Limit to the Qualified Electors of the District" (the
"Resolution of Formation"), and Resolution No. RES-110006 entitled "A Resolution
of the City Council of the City of Long Beach Calling Special Election Within the City of
Long Beach Community Facilities District No. 2011-1 (Douglas Park – North of Cover
Street Area – Services Levy)," which resolutions established the District, authorized the
levy of a special tax within the District, and called an election within the District on the
proposition of levying a special tax and establishing an appropriations limit for the District;
and

WHEREAS, on January 18, 2011 an election was held within the District in which the then sole eligible landowner elector approved said proposition;

NOW, THEREFORE, the City Council of the City of Long Beach ordains as follows:

Section 1. By the passage of this Ordinance this City Council hereby authorizes and levies special taxes within the District, pursuant to the Law, at the rate and in accordance with the rate and method of apportionment of special taxes for the District approved by the Resolution of Formation, which Resolution is by this reference incorporated herein. The special taxes are hereby levied commencing in the fiscal year following the completion of any of the public improvements (a) required by the Douglas Park Amended and Restated Development Agreement (the "Development Agreement") between the City of Long Beach and The Boeing Company to be constructed within or adjacent to the territory included in the District and (b) that commence construction on or after the Effective Date for the Property (as those terms are defined in the Development Agreement) located North of Cover Street (referred to below as the "First Levy Year"),

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and the special taxes shall continue to be levied in each fiscal year thereafter all as provided in the rate and method of apportionment of special taxes for the District.

Section 2. The City Treasurer is hereby authorized and directed each fiscal year (beginning with the First Levy Year) to determine the specific special tax rate and amount to be levied for each parcel of real property within the District, in the manner and as provided in the rate and method of apportionment of special taxes for the District.

Section 3. Properties or entities of the State, federal or local governments shall be exempt from any levy of the special taxes in the District, to the extent set forth in the rate and method of apportionment of special taxes for the District. In no event shall the special taxes be levied on any parcel within the District in excess of the maximum tax specified in the rate and method of apportionment of special taxes for the District.

Section 4. All of the collections of the special tax for the District shall be used as provided for in the Law and in the Resolution of Formation including the payment of the costs of Services authorized to be funded by the District, the payment of the costs of the City in administering the District, and the payment of the costs of collecting and administering the special tax.

Section 5. The special taxes shall be collected from time to time as necessary to meet the financial obligations of the District on the secured real property tax roll in the same manner as ordinary ad valorem taxes are collected. The special taxes shall have the same lien priority, and be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes. The City Treasurer is hereby authorized and directed to provide all necessary information to the auditor/tax collector of the County of Los Angeles and to otherwise take all actions

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necessary in order to effect proper billing and collection of the special tax, so that the special tax shall be levied and collected in sufficient amounts and at the times necessary to satisfy the financial obligations of the District in each fiscal year.

Notwithstanding the foregoing, the City Treasurer may collect one or more installments of the special taxes on any one or more parcels in the District by means of direct billing by the City of the property owners within the District, if, in the judgment of the City Treasurer, such means of collection will reduce the administrative burden on the City in administering the District or is otherwise appropriate in the circumstances. In such event, the special taxes shall become delinquent if not paid when due as set forth in any such respective billing of the applicable property owners.

Section 6. The City Treasurer is hereby directed to establish an account for the District (which need not be a separate deposit account, but may be a separate general ledger account so long as funds for the District can be separately accounted for) into which proceeds of the special tax levied for the District will be deposited, and the City Treasurer is hereby directed to file an annual report with this City Council for the District as required by Section 50075.3 of the California Government Code.

Section 7. If for any reason any portion of this Ordinance is found to be invalid, or if the special tax is found inapplicable to any particular parcel within the District, by a Court of competent jurisdiction, the balance of this Ordinance, and the application of the special tax to the remaining parcels within the District shall not be affected.

Section 8. The City Clerk shall certify to the passage of this ordinance by the City Council and cause it to be posted in three (3) conspicuous places in the City of Long Beach, and it shall take effect on the thirty-first (31st) day after it is approved by the Mayor.

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I hereby certify that the foregoing ordinance was adopted by the City