



Legislation Details (With Text)

File #: 08-1091 **Version:** 1 **Name:** FM - RES. results of CFD 2007-2 (Belmont Shore)
Type: Resolution **Status:** Adopted
File created: 10/13/2008 **In control:** City Council
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Title: Recommendation to adopt resolution to declare the results of a special election within the City of Long Beach Community Facilities District (CFD) No. 2007-2 (Belmont Shore);

Sponsors:

Indexes:

Code sections:

Attachments: 1. 102108-R-21sr&att 1.pdf, 2. RES-08-0133.pdf

Date	Ver.	Action By	Action	Result
10/21/2008	1	City Council	approve recommendation and adopt	Pass

Recommendation to adopt resolution to declare the results of a special election within the City of Long Beach Community Facilities District (CFD) No. 2007-2 (Belmont Shore);

On August 5, 2008, the City Council held a public hearing regarding the formation of the CFD and the incurrance of bonded indebtedness of the City for the CFD. Following the public hearing, the City Council adopted RES-08-0081 affirming the formation of the CFD, RES-080082 affirming the determination of the necessity to incur bonded indebtedness for the CFD, and RES-08-0083 calling for a new election of the owners of property in the CFD for October 6, 2008. The election was concluded on October 6, 2008. The City Clerk tabulated the ballots and determined that over 83 percent of the votes cast in the election were in favor of the ballot propositions.

The City Council is requested to adopt a Resolution declaring the results of the election and directing recording of (i) a notice of special tax lien on the parcels in the CFD, and (ii) a notice of cancellation of the special tax lien imposed for the prior CFD No. 1 of the City, which is being supplanted by the new CFD. The maximum special tax rate for the new CFD is the same as CFD 1 at 66¢ per square foot of commercial land; however, it is contemplated that the initial bonded debt of the new CFD will only require the same 12¢ per commercial square foot (in addition to \$200,000 of annual parking meter revenues) to service the bonds for the new parking lot and related improvements and to refinance the bonds issued in 1993.

It is also recommended the City Council conduct the first reading of an Ordinance levying special taxes in the new CFD and adopt a Resolution authorizing the issuance of bonds for the CFD. The bonds will be issued pursuant to a Fiscal Agent Agreement entered into by the City and U.S. Bank National Association.

The bonds are expected to be offered for sale in late October pursuant to a Preliminary Official Statement which describes the CFD and the terms of the bonds, and a Bond Purchase Agreement entered into by the City, for the CFD, and E.J. De La Rosa & Co., Inc. (the bond "Underwriter") who will market the bonds to prospective investors. There is also a Continuing Disclosure Certificate

which requires the City to provide certain annual and material event disclosures regarding the CFD and the bonds to investors.

The Resolution authorizes the issuance of up to \$4,000,000 in bonds for the CFD, and approves the Fiscal Agent Agreement, Preliminary Official Statement, Bond Purchase Agreement and Continuing Disclosure Certificate. The Resolution also makes various findings related to the bond issue, including that the value of the property in the CFD is at least three times the principal of the bonds, and that the District is in accordance with the City's Local Goals and Policies for Community Facilities Districts Related to Commercial Development, previously adopted by the City Council.

This item was reviewed by Assistant City Attorney Heather A. Mahood on September 25, 2008 and Budget Management Officer Victoria Bell on September 30, 2008.

City Council action on this item is requested on October 21, 2008, to support the activities and formation of the CFD, so that the financing of the proposed parking improvements can occur before the end of 2008.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH DECLARING RESULTS OF SPECIAL ELECTION, AND DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN AND NOTICE OF CANCELLATION OF SPECIAL TAX LIEN FOR PRIOR CFD-COMMUNITY FACILITIES DISTRICT NO. 2007-2 (BELMONT SHORE)

LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO

APPROVED:

PATRICK H. WEST
CITY MANAGER