

1 RESOLUTION NO. RES-08-0080

2  
3 A RESOLUTION OF THE CITY COUNCIL OF THE  
4 CITY OF LONG BEACH AFFIRMING RESOLUTIONS OF  
5 INTENTION RELATING TO THE PROPOSED CITY OF  
6 LONG BEACH COMMUNITY FACILITIES DISTRICT NO.  
7 2007-2 (BELMONT SHORE)  
8

9 WHEREAS, on November 13, 2007, this City Council adopted a resolution  
10 entitled "A Resolution of the City Council of the City of Long Beach Declaring Its Intention  
11 to Establish a Community Facilities District and to Authorize the Levy of Special Taxes  
12 Therein – Belmont Shore Area" (the "Resolution of Intention to Form the CFD") stating its  
13 intention to form the City of Long Beach Community Facilities District No. 2007-2  
14 (Belmont Shore) (the "District"), pursuant to the Long Beach Special Tax Financing  
15 Improvement Law, Long Beach Municipal Code Section 3.52.511 et seq. (the "Law"), to  
16 fund costs of parking facilities and improvements (the "Facilities") and to refinance certain  
17 outstanding bonds (the "1993 Bonds"), as described therein; and

18 WHEREAS, on November 13, 2007, this City Council also adopted a  
19 resolution entitled "A Resolution of the City Council of the City of Long Beach Declaring  
20 Its Intention to Incur Bonded Indebtedness of the Proposed City of Long Beach  
21 Community Facilities District No. 2007-2 (Belmont Shore)" (the "Resolution of Intention to  
22 Incur CFD Indebtedness") stating its intention to incur bonded indebtedness within the  
23 boundaries of the District for the purpose of financing costs of the Facilities and of the  
24 refinancing of the 1993 Bonds; and

25 WHEREAS, on December 11, 2007, this City Council adopted resolutions  
26 entitled "A Resolution of the City Council of the City of Long Beach of Formation of the  
27 City of Long Beach Community Facilities District No. 2007-2 (Belmont Shore),  
28 Authorizing the Levy of a Special Tax Within the District, Preliminarily Establishing an

1 Appropriations Limit for the District, and Submitting the Levy of the Special Tax and the  
2 Establishment of the Appropriations Limit to the Qualified Electors of the District” (the  
3 “Resolution of Formation of the CFD”), “A Resolution of the City Council of the City of  
4 Long Beach Determining the Necessity to Incur Bonded Indebtedness Within the City of  
5 Long Beach Community Facilities District No. 2007-2 (Belmont Shore) and Submitting  
6 Proposition to the Qualified Electors of the District” (the “Resolution of Necessity to Incur  
7 Indebtedness”) and “A Resolution of the City Council of the City of Long Beach Calling  
8 Special Election Within the City of Long Beach Community Facilities District No. 2007-2  
9 (Belmont Shore)” (the “Resolution Calling Election”); and

10 WHEREAS, pursuant to the Resolution Calling Election, an election was  
11 held within the District on March 3, 2008, regarding the proposition of the levy of the  
12 special tax in the District and the establishment of an appropriations limit for the District  
13 (as described in the Resolution of Formation of the CFD), and of the incurring of up to  
14 \$5,800,000 in bonded indebtedness of the City for the District (as described in the  
15 Resolution of Necessity to Incur Indebtedness) (collectively, the “District Propositions”);  
16 and

17 WHEREAS, the District Propositions were not approved by the qualified  
18 electors of the District by more than two-thirds of the votes cast at the election, and on  
19 April 15, 2008, this City Council adopted a resolution entitled “A Resolution of the City  
20 Council of the City of Long Beach Declaring Results of Special Election, and Suspending  
21 Actions With Respect to Special Tax Levies Therein”, which resolution directed that no  
22 further action be taken by this City Council with respect to levying special taxes in the  
23 District for six months from March 3, 2008; and

24 WHEREAS, on May 13, 2008, this City Council adopted an ordinance  
25 entitled “An Ordinance of the City Council of the City of Long Beach Amending Provisions  
26 of the Long Beach Municipal Code Pertaining to Assessment District Bonds (Division IV  
27 of Chapter 3.52) and Special Tax Financing Improvement Procedures (Division V of  
28 Chapter 3.52)” (the “Ordinance”), which Ordinance, among other matters, amended a

1 provision of the Law with regard to the number of votes to which each landowner in the  
2 District is entitled, to allow the City Council, in certain circumstances, to authorize an  
3 alternative allocation of votes to better reflect the relative burden of the special tax on the  
4 parcels in the District; and

5 WHEREAS, this City Council now desires to take actions to affirm the  
6 matters set forth in the Resolution of Intention to Form the CFD and the Resolution of  
7 Intention to Incur CFD Indebtedness, in order to begin the proceedings necessary to  
8 allow for a new vote on the District Propositions by the landowners in the District, using  
9 the alternative voting allocation allowed by the Ordinance.

10 NOW, THEREFORE, the City Council of the City of Long Beach resolves as  
11 follows:

12 Section 1. The foregoing recitals are true and correct.

13 Section 2. The provisions of Sections 2, 3, 4, 5, 6, 9, 11, 12, 13 and 14 of  
14 the Resolution of Intention to Form the CFD are by this reference incorporated herein.  
15 The approvals in the Resolution of Intention to Form the CFD of (i) the name of the  
16 District, (ii) the boundaries of and the boundary map for the District, (ii) the Facilities to be  
17 financed and the 1993 Bonds to be repaid and defeased by the District (as described in  
18 Exhibit A hereto), (iv) the rate and method of apportionment of special taxes for the  
19 District (as set forth in Exhibit B hereto), (v) the bonded indebtedness to be incurred by  
20 the District, (vi) the direction to prepare a report for the District, (vii) the authority for the  
21 repayment of advances made for the benefit of the District, and (viii) the engagement of  
22 consultants to assist in the formation of the District and the issuance of bonds for the  
23 District, as set forth in Sections 2, 3, 4, 5, 6, 9, 11, 12, 13 and 14 of the Resolution of  
24 Intention to Form the CFD, are hereby affirmed.

25 Section 3. The levy of the proposed special tax in the District shall be  
26 subject to the approval of the qualified electors of the District at a new special election.  
27 This City Council hereby finds and determines that the alternative method of voting  
28 added by the Ordinance to Section 3.52.5217B of the Law will be more reflective of the

1 burden of the special tax to be levied in the proposed District. Accordingly, the proposed  
2 voting procedure shall be by mailed or hand-delivered ballot among the landowners in the  
3 proposed District, with each owner having one vote for each dollar of special tax that may  
4 be levied on such landowner's land to be included in the District, based upon the rate and  
5 method of apportionment of special taxes for the District, and the special taxes thereby to  
6 be levied in the first full fiscal year following formation of the District.

7           Section 4. The provisions of Sections 1, 2 and 3 of the Resolution of  
8 Intention to Incur CFD Indebtedness are by this reference incorporated herein. The  
9 approvals in the Resolution of Intention to Incur CFD Indebtedness of (i) the necessity for  
10 the District to incur indebtedness in an amount not to exceed \$5,800,000, (ii) the  
11 purposes for which the indebtedness is to be incurred, and (iii) the intent to authorize the  
12 issuance and sale of bonds for the District, as set forth in Sections 1, 2 and 3 of the  
13 Resolution of Intention to Incur CFD Indebtedness, are hereby affirmed.

14           Section 5. Tuesday, August 5, 2008, at 5:00 p.m. or as soon thereafter  
15 as the matter may be heard, in the regular meeting place of this City Council, City Council  
16 Chambers, City Hall, 333 West Ocean Boulevard, Long Beach, California, be, and the  
17 same are hereby appointed and fixed as the time and place when and where this City  
18 Council, as legislative body for the District, will conduct a public hearing on the  
19 establishment of the District and the proposed debt issue for the District, and consider  
20 and finally determine whether the public interest, convenience and necessity require the  
21 formation of the District, the levy of the special tax within the District and the issuance of  
22 bonds of the City for the District.

23           Section 6. The City Clerk is hereby directed to cause notice of the public  
24 hearing described in Section 5 above to be given by publication one time in a newspaper  
25 published in the area of the District. The publication of said notice shall be completed at  
26 least seven days before the date herein set for said hearing. The notice shall be  
27 substantially in the form of Exhibit C hereto.

28           Section 7. This resolution shall take effect immediately upon its adoption

OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

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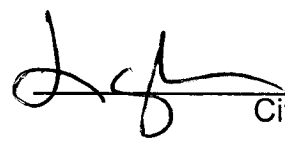
by the City Council, and the City Clerk shall certify the vote adopting this resolution.

I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of July 22, 2008, by the following vote:

Ayes: Councilmembers: B. Lowenthal, S. Lowenthal, DeLong,  
O'Donnell, Schipske, Andrews,  
Gabelich, Lerch.

Noes: Councilmembers: None.

Absent: Councilmembers: Reyes Uranga.

  
\_\_\_\_\_  
City Clerk

HAM:fl  
6/4/08  
#07-05237

## EXHIBIT A

### CITY OF LONG BEACH COMMUNITY FACILITIES DISTRICT NO. 2007-2 (BELMONT SHORE)

#### DESCRIPTION OF FACILITIES ELIGIBLE TO BE FUNDED BY THE DISTRICT AND OF PRIOR BONDS TO BE REPAID AND DEFEASED BY THE DISTRICT

#### FACILITIES

The District shall be eligible to finance all or a portion of the costs of the following:

- The acquisition of land and construction of a parking lot of approximately 5800 square feet at 189 Park Avenue in the City of Long Beach, including but not limited to asphalt paving, construction of fencing and walls, the installation of signage, and any related costs of land acquisition, demolition, grading, relocation of utilities, design, construction, landscaping, architectural treatments, lighting, meter and other related costs and appurtenances.

- The resurfacing of alleyways that provide access to parking lots adjacent to and behind commercial businesses within the area depicted on Attachment A to Ordinance No. C-6219 adopted by the City Council of the City of Long Beach (the "City") on December 17, 1985 (the "Belmont Shore Parking Meter Revenue Area"), including but not limited to the removal and replacement of the surface of the alleyways and related and appurtenant costs.

- The acquisition, construction and improvement of property to provide public parking spaces and related and appurtenant facilities and work, to make parking available to commercial properties within the Belmont Shore Parking Meter Revenue Area, including but not limited to surface parking lots, parking structures, ingress and egress areas (including adjacent alleyways) and other similar facilities, and including costs of land acquisition, demolition, grading, relocation of utilities, design, construction, landscaping, architectural treatments, signage, lighting, meter and other related costs and appurtenances.

#### PRIOR BONDS

The District shall be eligible to repay and defease the outstanding City of Long Beach 1993 Parking Meter Revenue Bonds.

#### OTHER

The District may also finance any of the following:

1. Bond related expenses, including underwriter's discount, appraisal and feasibility study costs, reserve fund, capitalized interest, financial advisor, special tax

consultant, bond counsel, disclosure counsel and underwriter's counsel fees and expenses, official statement printing, and all other incidental expenses.

2. Administrative fees of the City and the Bond trustee or fiscal agent related to the District and any bonds issued for the District.

3. Reimbursement of costs related to the formation of the District advanced by the City, or any other party, as well as reimbursement of any costs advanced by the City or any other party, for facilities or other purposes or costs of the District.

## EXHIBIT B

### RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES FOR THE CITY OF LONG BEACH COMMUNITY FACILITIES DISTRICT NO. 2007-2 (BELMONT SHORE)

An annual special tax shall be levied on all commercial property within the boundaries of the City of Long Beach Community Facilities District No. 2007-2 (Belmont Shore) (the "District") and collected each FISCAL YEAR commencing in FISCAL YEAR 2007-2008 according to the tax liability determined through the application of this Rate and Method of Apportionment of Special Taxes to the extent and in the manner herein provided.

The special tax hereinafter described shall be apportioned exclusively on COMMERCIAL LAND within the boundaries of the District, and no special tax will be apportioned on any portion of property in the District in RESIDENTIAL USE. Said special tax shall be applicable each year to the extent available PLEDGED REVENUE is not sufficient to pay the principal and interest on any outstanding bonded indebtedness and/or to pay for facilities eligible to be funded by the District. Said tax shall be annually levied as long as needed for the payment of any bonds issued for the District or to pay for facilities eligible to be funded by the District or any costs of the City of Long Beach related to the District.

For particulars as to the rate and method of apportionment of the special tax, see the following:

#### PROPERTY CATEGORIES AND TAX RATE

- I. All COMMERCIAL LAND shall be subject to an annual special tax in an amount not to exceed \$0.66 per square foot of land, subject to a RESIDENTIAL USE CREDIT in the amount of \$0.66 per square foot of land.
- II. All RESIDENTIAL LAND shall be exempt and not subject to an apportionment of the special tax.

The above-referenced COMMERCIAL LAND special tax is applicable to land with commercial zoning classification and allowance, and the RESIDENTIAL USE CREDIT is applicable for any lawful ground level residential use.

#### MANNER OF COLLECTION

The special tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the City of Long Beach may directly bill the special tax, may collect special taxes at a different time or in a different manner if necessary to meet the financial obligations of the District, and may covenant to foreclose and may actually foreclose on property with delinquent special taxes, as permitted by the City of Long Beach Special Tax Financing Improvement Law.



## APPLICATION OF REVENUE AND TAXES

In order to make payments of principal and interest on any outstanding bonds and to annually pay the costs and expenses for the facilities authorized to be funded by the District and of administering the District and any such bonds, the special tax shall be computed annually by the Treasurer of the City of Long Beach as that amount needed to satisfy the obligations of the District in the succeeding FISCAL YEAR, including as necessary to satisfy any covenants of the City of Long Beach or the District related to any bonds issued for the District, and the annual PLEDGED REVENUE and special taxes shall be applied as follows:

FIRST, the PLEDGED REVENUE from parking meters located within the BELMONT SHORE PARKING METER REVENUE AREA and otherwise available for such purpose in the PARKING METER REVENUE FUND, shall be first applied to pay for all costs and expenses of the District, including principal and interest on any outstanding bonds.

SECOND, special taxes shall be levied in the District pro-rata in an amount not to exceed the maximum annual authorized special tax.

### DEFINITIONS

"BELMONT SHORE PARKING METER REVENUE AREA" shall mean the area depicted in Attachment "A" to the ORDINANCE.

"COMMERCIAL LAND" shall include all land zoned for commercial use as set forth in Chapter 21.18 of the Municipal Code of the City of Long Beach or in commercial use subject to a special use permit of the City of Long Beach.

"FISCAL YEAR" shall mean the fiscal year of the City of Long Beach, currently being October 1<sup>st</sup> to the following September 30<sup>th</sup>.

"ORDINANCE" shall mean Ordinance No. C-6219 entitled "An Ordinance of the City Council of the City of Long Beach Amending Ordinance No. C-6170, known as the City Appropriations Ordinance, to Establish the Belmont Shore Parking Meter Revenue Fund," adopted by the City Council of the City of Long Beach on December 17, 1985.

"PARKING METER REVENUE FUND" means the Belmont Shore Parking Revenue Fund referenced in the ORDINANCE.

"PLEDGED REVENUE" shall mean the first \$200,000 of monies received by the City of Long Beach in any FISCAL YEAR from parking meters located within the BELMONT SHORE PARKING METER REVENUE AREA, and deposited to the PARKING METER REVENUE FUND, said monies to be made available annually, and said monies shall be pledged as long as needed to pay for facilities authorized to be funded by the District or bonds issued for the District.

"RESIDENTIAL LAND" shall include all land zoned exclusively for residential use.

"RESIDENTIAL USE" shall include all property on the ground floor level of any property in actual lawful residential use.

"RESIDENTIAL USE CREDIT" shall include and mean the actual square footage of any ground floor RESIDENTIAL USE property, which square footage shall be computed by the Treasurer of the City of Long Beach or the Treasurer's designee based upon the entirety of the area in RESIDENTIAL USE.

#### PROPERTY OWNER APPEALS OF SPECIAL TAX LEVIES

Any property owner claiming that the amount or application of the special tax is not correct and requesting a refund may file a written notice of appeal and refund to that effect with the Treasurer of the City of Long Beach not later than one calendar year after having paid the special tax that is disputed. The Treasurer of the City of Long Beach shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the special tax, and decide the appeal. If the Treasurer's decision requires that the special tax be modified or changed in favor of the property owner, a cash refund shall not be made, but an adjustment shall be made to the next special tax levy. Any dispute over the decision of the Treasurer of the City of Long Beach shall be referred to the City Council of the City of Long Beach and the decision of the City Council shall be final.

EXHIBIT C

CITY OF LONG BEACH  
COMMUNITY FACILITIES DISTRICT NO. 2007-2  
(BELMONT SHORE)

NOTICE OF PUBLIC HEARING

Notice is hereby given that on July 22 2008, the City Council of the City of Long Beach adopted a Resolution entitled "A Resolution of the City Council of the City of Long Beach Affirming Resolutions of Intention Relating to the Proposed City of Long Beach Community Facilities District No. 2007-2 (Belmont Shore)." Pursuant to the Long Beach Special Tax Financing Improvement Law, the City Council of the City of Long Beach hereby gives notice as follows:

A. The text of said Resolution of Intention is as follows:

WHEREAS, on November 13, 2007, this City Council adopted a resolution 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 - Belmont Shore Area" (the "Resolution of Intention to Form the CFD") stating its intention to form the City of Long Beach Community Facilities District No. 2007-2 (Belmont Shore) (the "District"), pursuant to the Long Beach Special Tax Financing Improvement Law, Long Beach Municipal Code Section 3.52.511 et seq. (the "Law"), to fund costs of parking facilities and improvements (the "Facilities") and to refinance certain outstanding bonds (the "1993 Bonds"), as described therein; and

WHEREAS, on November 13, 2007, this City Council also adopted a resolution entitled "A Resolution of the City Council of the City of Long Beach Declaring Its Intention to Incur Bonded Indebtedness of the Proposed City of Long Beach Community Facilities District No. 2007-2 (Belmont Shore)" (the "Resolution of Intention to Incur CFD Indebtedness") stating its intention to incur bonded indebtedness within the boundaries of the District for the purpose of financing costs of the Facilities and of the refinancing of the 1993 Bonds; and

WHEREAS, on December 11, 2007, this City Council adopted resolutions 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. 2007-2 (Belmont Shore), Authorizing the Levy of a Special Tax Within the District, Preliminarily Establishing an Appropriations Limit for the District, and Submitting the Levy of the Special Tax and the Establishment of the Appropriations Limit to the Qualified Electors of the District" (the "Resolution of Formation of the CFD"), "A Resolution of the City Council of the City of Long Beach Determining the Necessity to Incur Bonded Indebtedness Within the City of Long Beach Community Facilities District No. 2007-2 (Belmont Shore) and Submitting Proposition to the Qualified Electors of the District" (the "Resolution of Necessity to Incur Indebtedness") and "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. 2007-2 (Belmont Shore)" (the "Resolution Calling Election"); and

WHEREAS, pursuant to the Resolution Calling Election, an election was held within the District on March 3, 2008, regarding the proposition of the levy of the special tax in the District and the establishment of an appropriations limit for the District (as described in the Resolution of Formation of the CFD), and of the incurring of up to \$5,800,000 in bonded indebtedness of the City for the District (as described in the Resolution of Necessity to Incur Indebtedness) (collectively, the "District Propositions"); and

WHEREAS, the District Propositions were not approved by the qualified electors of the District by more than two-thirds of the votes cast at the election, and on April 15, 2008, this City Council adopted a resolution entitled "A Resolution of the City Council of the City of Long Beach Declaring Results of Special Election, and Suspending Actions With Respect to Special Tax Levies Therein", which resolution directed that no further action be taken by this City Council with respect to levying special taxes in the District for six months from March 3, 2008; and

WHEREAS, on May 13, 2008, this City Council adopted an ordinance entitled "An Ordinance of the City Council of the City of Long Beach Amending Provisions of the Long Beach Municipal Code Pertaining to Assessment District Bonds (Division IV of Chapter 3.52) and Special Tax Financing Improvement Procedures (Division V of Chapter 3.52)" (the "Ordinance"), which Ordinance, among other matters, amended a provision of the Law with regard to the number of votes to which each landowner in the District is entitled, to allow the City Council, in certain circumstances, to authorize an alternative allocation of votes to better reflect the relative burden of the special tax on the parcels in the District; and

WHEREAS, this City Council now desires to take actions to affirm the matters set forth in the Resolution of Intention to Form the CFD and the Resolution of Intention to Incur CFD Indebtedness, in order to begin the proceedings necessary to allow for a new vote on the District Propositions by the landowners in the District, using the alternative voting allocation allowed by the Ordinance.

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

Section 1. The foregoing recitals are true and correct.

Section 2. The provisions of Sections 2, 3, 4, 5, 6, 9, 11, 12, 13 and 14 of the Resolution of Intention to Form the CFD are by this reference incorporated herein. The approvals in the Resolution of Intention to Form the CFD of (i) the name of the District, (ii) the boundaries of and the boundary map for the District, (iii) the Facilities to be financed and the 1993 Bonds to be repaid and defeased by the District (as described in Exhibit A hereto), (iv) the rate and method of apportionment of special taxes for the District (as set forth in Exhibit B hereto), (v) the bonded indebtedness to be incurred by

the District, (vi) the direction to prepare a report for the District, (vii) the authority for the repayment of advances made for the benefit of the District, and (viii) the engagement of consultants to assist in the formation of the District and the issuance of bonds for the District, as set forth in Sections 2, 3, 4, 5, 6, 9, 11, 12, 13 and 14 of the Resolution of Intention to Form the CFD, are hereby affirmed.

Section 3. The levy of the proposed special tax in the District shall be subject to the approval of the qualified electors of the District at a new special election. This City Council hereby finds and determines that the alternative method of voting added by the Ordinance to Section 3.52.5217B of the Law will be more reflective of the burden of the special tax to be levied in the proposed District. Accordingly, the proposed voting procedure shall be by mailed or hand-delivered ballot among the landowners in the proposed District, with each owner having one vote for each dollar of special tax that may be levied on such landowner's land to be included in the District, based upon the rate and method of apportionment of special taxes for the District, and the special taxes thereby to be levied in the first full fiscal year following formation of the District.

Section 4. The provisions of Sections 1, 2 and 3 of the Resolution of Intention to Incur CFD Indebtedness are by this reference incorporated herein. The approvals in the Resolution of Intention to Incur CFD Indebtedness of (i) the necessity for the District to incur indebtedness in an amount not to exceed \$5,800,000, (ii) the purposes for which the indebtedness is to be incurred, and (iii) the intent to authorize the issuance and sale of bonds for the District, as set forth in Sections 1, 2 and 3 of the Resolution of Intention to Incur CFD Indebtedness, are hereby affirmed.

Section 5. Tuesday, August 5, 2008, at 5:00 p.m. or as soon thereafter as the matter may be heard, in the regular meeting place of this City Council, City Council Chambers, City Hall, 333 West Ocean Boulevard, Long Beach, California, be, and the same are hereby appointed and fixed as the time and place when and where this City Council, as legislative body for the District, will conduct a public hearing on the establishment of the District and the proposed debt issue for the District, and consider and finally determine whether the public interest, convenience and necessity require the formation of the District, the levy of the special tax within the District and the issuance of bonds of the City for the District.

Section 6. The City Clerk is hereby directed to cause notice of the public hearing described in Section 5 above to be given by publication one time in a newspaper published in the area of the District. The publication of said notice shall be completed at least seven days before the date herein set for said hearing. The notice shall be substantially in the form of Exhibit C hereto.

Section 7. This Resolution shall take effect upon its adoption.

B. The exhibits to the Resolution which describe the facilities eligible to be funded, the bonds to be repaid and defeased, and the rate and method of apportionment of the special taxes for, the district are on file in the office of the City Clerk.

C. The time and place established under said Resolution for the public hearing required under the Law are Tuesday, August 5, 2008, at the hour of 5:00 p.m. or as soon thereafter as the matter may be heard, in the regular meeting place of the City Council, City Council Chambers, City Hall, 333 West Ocean Boulevard, Long Beach, California.

D. At said hearing, the testimony of all interested persons or taxpayers for or against the establishment of the district, the extent of the district or the furnishing of the specified types of facilities or the repayment and defeasance of the 1993 bonds, and the proposed bonds to be issued for the district will be heard. Any person interested may file a protest in writing with the City Clerk. If fifty percent or more of the registered voters, or six registered voters, whichever is more, residing in the territory proposed to be included in the district, or the owners of one-half or more of the area of land in the territory proposed to be included in the district and not exempt from the special tax file written protests against the establishment of the District and the protests are not withdrawn to reduce the value of the protests to less than a majority, the City Council shall take no further action to establish the District or levy the special taxes for a period of six months from the date of the decision of the City Council, and if the majority protests of the registered voters or the landowners are only against the furnishing of a type or types of facilities within the district, or against the repayment and defeasance of the 1993 bonds, or against levying a specified special tax in the district, those types of facilities or the repayment and defeasance of the 1993 bonds, or the specified special tax, will be eliminated from the proceedings to form the District.

E. The proposed voting procedure shall be by special mail or hand-delivered ballot to the property owners within the territory proposed to be included in the district, with each owner having one vote for each dollar of special tax that may be levied on such landowner's land to be included in the district, based upon the rate and method of apportionment of special taxes for the district, and the special taxes thereby to be levied in the first full fiscal year following formation of the district.

/s/ Larry G. Herrera  
City Clerk,  
City of Long Beach