

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

RESOLUTION NO. RES-09-0123

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH DESIGNATING THE TERRITORY
IN THE CITY AS A RECOVERY ZONE FOR PURPOSES
OF THE AMERICAN RECOVERY AND REINVESTMENT
ACT OF 2009

WHEREAS, Section 1401 of Title 1 of Division B of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (2009) (the "Federal Stimulus Act"), added Sections 1400U-1 through 1400U-3 to the Internal Revenue Code of 1986 (the "Code"), authorizing state and local governments to issue recovery zone economic development bonds ("Recovery Zone Economic Development Bonds") and recovery zone facility bonds ("Recovery Zone Facility Bonds") upon compliance with various requirements of the Code; and

WHEREAS, among other requirements, the net proceeds of any Recovery Zone Economic Development Bonds must be used for a "qualified economic development purpose," including to fund capital expenditures paid or incurred with respect to property located in a "recovery zone", and the net proceeds of any Recovery Zone Facility Bonds must be used for "recovery zone property," including property in a "recovery zone" constructed, reconstructed, renovated or acquired after the date on which the designation of the recovery zone took effect; and

WHEREAS, under the Federal Stimulus Act, the City of Long Beach (the "City") has been allocated the authority to issue up to \$22,235,000 principal amount of Recovery Zone Economic Development Bonds and up to \$33,353,000 principal amount of Recovery Zone Facility Bonds, and Section 1400U-1(b)(1) of the Code allows for the City to designate an area as a "recovery zone" if the area has significant poverty, unemployment, rate of home foreclosure or general distress; and

1 WHEREAS, due to the current high rate of unemployment, the current rate
2 of home foreclosures and the general distress in the City, the City Council now desires to
3 designate the entire territory within the City as a "recovery zone" for purposes of Section
4 1400U-1(b) of the Code, so that the City may be in a position to issue its allocations of
5 Recovery Zone Economic Development Bonds and of Recovery Zone Facilities Bonds as
6 projects to be funded are identified by City staff and the funding of those projects is
7 approved by the City Council.

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

10 Section 1. The City Council hereby finds and determines, based upon
11 information provided by City Staff, that the area within the boundaries of the City currently
12 have significant unemployment, significant rates of home foreclosures and/or significant
13 general distress.

14 Section 2. The City Council hereby designates the entire area within the
15 boundaries of the City as a "recovery zone" for purposes of Section 1400U-1(b) of the
16 Code.

17 Section 3. This resolution shall take effect immediately upon its adoption
18 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

19 ///
20 ///
21 ///
22 ///
23 ///
24 ///
25 ///
26 ///
27 ///
28 ///

1 I hereby certify that the foregoing resolution was adopted by the City
2 Council of the City of Long Beach at its meeting of November 3, 2009 by the following
3 vote:

4
5 Ayes: Councilmembers: Garcia, Lowenthal, DeLong,
6 O'Donnell, Schipske, Andrews,
7 Reyes Uranga, Lerch.

8
9 Noes: Councilmembers: None.

10
11 Absent: Councilmembers: Gabelich.

12
13
14
15 
16 City Clerk

17 OFFICE OF THE CITY ATTORNEY
18 ROBERT E. SHANNON, City Attorney
19 333 West Ocean Boulevard, 11th Floor
20 Long Beach, CA 90802-4664

21
22
23
24
25
26
27
28