

CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-21

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-6169 • Fax (562) 570-5836

January 4, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution of Consideration to Alter the Services Authorized to be Funded by Improvement Area B of the City of Long Beach Community Facilities District No. 2007-1 (Douglas Park – Commercial Area), and set date of public hearing for January 18, 2011. (District 5)

DISCUSSION

The Long Beach Special Tax Financing Improvement Law, as contained in the Long Beach Municipal Code, Division V, Chapter 3.52, governs the formation of community facilities districts, as approved by City Council. The Special Tax Financing Improvement Law, which is broader than the State of California's Mello-Roos Law, provides a mechanism to form community facilities districts and to finance public capital facilities and services. Once formed, a community facilities district can finance facilities and provide services through payment of a special tax levied against the owners of land in the community facilities district.

In 2007, under the provisions of the Special Tax Financing Improvement Law, the City Council formed Improvement Area B of the City of Long Beach Community Facilities District No. 2007-1 (Douglas Park – Commercial Area) (Improvement Area B) to provide a means to finance certain public improvements and municipal services in a portion of the Douglas Park area south of Cover Street. The City is authorized to levy a special tax on property located in Improvement Area B (all of which is currently owned by The Boeing Company) to pay costs of the authorized facilities and services.

On May 26, 2010, the City entered into a Douglas Park Amended and Restated Development Agreement (Amended DA) with The Boeing Company, which allows for the services authorized to be funded by the Improvement Area to be altered to increase the area in which the services can be provided and to remove a requirement that services be in addition to those provided in the Improvement Area prior to the formation of the Improvement Area. City staff and representatives of The Boeing Company have agreed upon a planned implementation of the applicable provisions of the Amended DA that pertain to the Improvement Area.

Adoption of the attached Resolution will declare the City Council's intention to alter the description of the services authorized to be funded in and adjacent to the Improvement Area, and will set a date of public hearing on the proposed alteration for January 18, 2011 at 5:00 p.m., or as soon thereafter as the matter may be heard. The Resolution describes the proposed alteration to the description of the services authorized to be funded by the Improvement Area, sets the public hearing, authorizes the City Attorney to execute an agreement with Quint & Thimmig, LLP, as counsel designated to assist the City with the alteration proceedings, and directs the City Clerk to publish a Notice of Public Hearing.

Immediately following the public hearing on January 18, 2011, it is expected that an election will be called, at which time The Boeing Company, as the sole owner of the property in the Improvement Area, will vote to approve the alteration of the description of the services.

This matter was reviewed by Assistant City Attorney Heather A. Mahood on December 16, 2010 and Budget Management Officer Victoria Bell on December 17, 2010.

TIMING CONSIDERATIONS

City Council action on this item is requested on January 4, 2011, so that the alteration of the description of the services can be completed as contemplated by the Amended DA.

FISCAL IMPACT

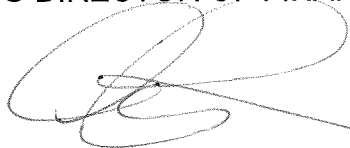
There is no fiscal impact to the General Fund associated with the requested action. Payment of outside counsel fees associated with the alteration proceedings will be paid from proceeds of special tax levies in the Improvement Area, which special taxes are to be paid by the owner of the property in the Improvement Area. This action is not expected to have a significant impact on local jobs.


SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,


ERIK SUND
ACTING DIRECTOR OF FINANCIAL MANAGEMENT


for 
AMY J. BODEK, AICP
DIRECTOR OF DEVELOPMENT SERVICES


MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

DN:AJB:MRN
T:\COUNCIL LETTERS\01-04-11 ccl - 2007-1 DOUGLAS PARK ALTERING SERVICE V2.DOC

ATTACHMENT - RESOLUTION

APPROVED:


PATRICK H. WEST
CITY MANAGER

1 RESOLUTION NO. RES-11-_____

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH OF CONSIDERATION TO ALTER
5 THE SERVICES AUTHORIZED TO BE FUNDED BY
6 IMPROVEMENT AREA B OF THE CITY OF LONG BEACH
7 COMMUNITY FACILITIES DISTRICT NO. 2007-1
8 (DOUGLAS PARK – COMMERCIAL AREA)
9

10 WHEREAS, on January 23, 2007, this City Council adopted Resolution No.
11 RES-07-0012 (the "Resolution of Intention") declaring its intention to establish
12 Improvement Area B of the City of Long Beach Community Facilities District No. 2007-1
13 (Douglas Park – Commercial Area) (the "Improvement Area") pursuant to the Long Beach
14 Special Tax Financing Improvement Law, constituting Section 3.52.511 et seq. of the
15 Long Beach Municipal Code (the "Law"), for the purpose of funding the costs of certain
16 facilities and services, as further provided in that Resolution; and

17 WHEREAS, the City Council now desires to commence proceedings to
18 expand the area in which services authorized to be funded by the Improvement Area can
19 be provided;

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

22 Section 1. The City Council hereby finds and determines that public
23 convenience and necessity require that the description of the services authorized to be
24 funded by the Improvement Area be altered.

25 Section 2. The name of the Improvement Area is "Improvement Area B
26 of the City of Long Beach Community Facilities District No. 2007-1 (Douglas Park –
27 Commercial Area)," and reference is hereby made to Resolution No. R-07-0020, adopted
28 by this City Council on February 20, 2007 for further particulars regarding the

1 Improvement Area. The territory included in the Improvement Area is as shown on the
2 boundary map of the Improvement Area recorded on February 2, 2007 in Book 192 of
3 Maps of Assessment and Community Facilities Districts at Page 39 (instrument no. 2007
4 0234895), in the Office of the County Recorder for the County of Los Angeles, State of
5 California.

6 Section 3. It is proposed that the services authorized to be funded by the
7 Improvement Area be altered to allow the services to be performed in areas within and
8 adjacent to the Improvements Area. Specifically, it is proposed that the previously-
9 approved description of the services authorized to be funded by the Improvement Area
10 be altered by deleting the following sentence therein: "Any services to be funded by
11 Improvement Area B will be in addition to those provided in the territory of Improvement
12 Area B before the date of creation of Improvement Area B, and will not supplant services
13 already available within that territory when Improvement Area B was created." and by
14 inserting in such description, in lieu of the deleted sentence, the following: "The services
15 may be provided in the area within and adjacent to Douglas Park, as identified in the
16 Douglas Park Amended and Restated Development Agreement (the "Development
17 Agreement") by and between the City of Long Beach (the "City") and The Boeing
18 Company (recorded in the Los Angeles County Recorder's Office on May 26, 2010 as
19 document number 20100720952), or in respect of any public improvements or facilities to
20 be constructed pursuant to the Development Agreement; provided that, as a first priority,
21 the City shall apply proceeds of Special Tax B (as such term is defined in the rate and
22 method of apportionment of special taxes for Improvement Area B) to maintain in good
23 condition within Douglas Park the public infrastructure on which proceeds of the Special
24 Tax B may be expended."

25 Section 4. Tuesday, January 18, 2011, at 5:00 p.m., or as soon
26 thereafter as the matter may be heard, in the regular meeting place of this City Council,
27 Council Chambers, City Hall, 333 West Ocean Boulevard, Long Beach, California, be,
28 and the same are hereby appointed and fixed as the time and place when and where this

1 City Council, as legislative body for the Improvement Area, will conduct a public hearing
2 on the proposed alteration of the description of the services authorized to be funded by
3 the Improvement Area and consider and finally determine whether the public interest,
4 convenience and necessity require the alteration.

5 Section 5. The law firm of Quint & Thimmig LLP is hereby designated as
6 Special Counsel to the City in connection with the alteration proceedings for the
7 Improvement Area. The City Attorney is hereby authorized to execute an agreement with
8 said firm for its services related to the Improvement Area, in a form acceptable to the City
9 Attorney.

10 Section 6. The City Clerk is hereby directed to cause notice of the public
11 hearing to be given by publication one time in a newspaper of general circulation
12 circulated within the area of the Improvement Area. The publication of the notice shall be
13 completed at least seven (7) days before the date set for the public hearing. The notice
14 shall substantially in the form of Exhibit A hereto.

15 Section 7. This resolution shall take effect immediately upon its adoption
16 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

17 I hereby certify that the foregoing resolution was adopted by the City
18 Council of the City of Long Beach at its meeting of January 4, 2011, by the following vote:

19 Ayes: Councilmembers: _____

20 _____

21 _____

22 _____

23 Noes: Councilmembers: _____

24 _____

25 Absent: Councilmembers: _____

26 _____

27 _____

28 _____
City Clerk

EXHIBIT A

NOTICE OF PUBLIC HEARING

IMPROVEMENT AREA B OF THE CITY OF LONG BEACH
COMMUNITY FACILITIES DISTRICT NO. 2007-1
(DOUGLAS PARK - COMMERCIAL AREA)

Notice is hereby given that on January 4, 2011, 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 of Consideration to Alter the Services Authorized to be Funded by Improvement Area B of the City of Long Beach Community Facilities District No. 2007-1 (Douglas Park - Commercial Area)." Pursuant to the Long Beach Special Tax Financing Improvement Law, constituting Section 3.52.511 et seq. of the Long Beach Municipal Code (the "Law"), the City Council of the City of Long Beach hereby gives notice as follows:

A. The text of said Resolution is as follows:

WHEREAS, on January 23, 2007, this City Council adopted Resolution No. RES-07-0012 (the "Resolution of Intention") declaring its intention to establish Improvement Area B of the City of Long Beach Community Facilities District No. 2007-1 (Douglas Park - Commercial Area) (the "Improvement Area") pursuant to the Long Beach Special Tax Financing Improvement Law, constituting Section 3.52.511 et seq. of the Long Beach Municipal Code (the "Law"), for the purpose of funding the costs of certain facilities and services, as further provided in that Resolution; and

WHEREAS, the City Council now desires to commence proceedings to expand the area in which services authorized to be funded by the Improvement Area can be provided.

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

Section 1. The City Council hereby finds and determines that public convenience and necessity require that the description of the services authorized to be funded by the Improvement Area be altered.

Section 2. The name of the Improvement Area is "Improvement Area B of the City of Long Beach Community Facilities District No. 2007-1 (Douglas Park - Commercial Area)," and reference is hereby made to Resolution No. R-07-0020, adopted by this City Council on February 20, 2007 for further particulars regarding the Improvement Area. The territory included in the Improvement Area is as shown on the boundary map of the Improvement Area recorded on February 2, 2007 in Book 192 of Maps of Assessment and Community Facilities Districts at Page 39 (instrument no. 2007 0234895), in the Office of the County Recorder for the County of Los Angeles, State of California.

Section 3. It is proposed that the services authorized to be funded by the Improvement Area be altered to allow the services to be performed in areas within and adjacent to the Improvements Area. Specifically, it is proposed that the previously-approved description of the services authorized to be funded by the Improvement Area be altered by deleting the following sentence therein: "Any services to be funded by Improvement Area B will be in addition to those provided in the territory of Improvement Area B before the date of creation of Improvement Area B, and will not supplant services already available within that territory when Improvement Area B was created." and by inserting in such description, in lieu of the deleted sentence, the following: "The services may be provided in the area within and adjacent to Douglas Park, as identified in the Douglas Park Amended and Restated Development Agreement (the "Development Agreement") by and between the City of Long Beach (the "City") and The Boeing Company (recorded in the Los Angeles County Recorder's Office on May 26, 2010 as document number 20100720952), or in respect of any public improvements or facilities to be constructed pursuant to the Development Agreement; provided that, as a first priority, the City shall apply proceeds of Special Tax B (as such term is defined in the rate and method of apportionment of special taxes for Improvement Area B) to maintain in good condition within Douglas Park the public infrastructure on which proceeds of the Special Tax B may be expended."

Section 4. Tuesday, January 18, 2011, at 5:00 p.m., or as soon thereafter as the matter may be heard, in the regular meeting place of this City Council, 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 Improvement Area, will conduct a public hearing on the proposed alteration of the description of the services authorized to be funded by the Improvement Area and consider and finally determine whether the public interest, convenience and necessity require the alteration.

Section 5. The law firm of Quint & Thimmig LLP is hereby designated as Special Counsel to the City in connection with the alteration proceedings for the Improvement Area. The City Attorney is hereby authorized to execute an agreement with said firm for its services related to the Improvement Area, in a form acceptable to the City Attorney.

Section 6. The City Clerk is hereby directed to cause notice of the public hearing to be given by publication one time in a newspaper of general circulation circulated within the area of the Improvement Area. The publication of the notice shall be completed at least seven (7) days before the date set for the public hearing. The notice shall substantially in the form of Exhibit A hereto.

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

B. The time and place established under the Resolution for the public hearing required under the Law are Tuesday, January 18, 2011, 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 of the City of Long Beach, Council Chambers, City Hall, 333 West Ocean Boulevard, Long Beach, California.

