

OFFICE OF THE CITY ATTORNEY
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Long Beach, CA 90802-4664

RESOLUTION NO. RES-15-0153

RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH APPROVING PROCEEDINGS BY
THE FINANCE AUTHORITY OF LONG BEACH FOR THE
ISSUANCE AND SALE OF LEASE REVENUE BONDS TO
FINANCE VARIOUS PUBLIC PROJECTS, APPROVING
THE FORM AND AUTHORIZING EXECUTION OF
RELATED DOCUMENTS AND APPROVING RELATED
OFFICIAL ACTIONS

WHEREAS, the City of Long Beach (the "City") proposes to finance various public projects, including costs of the hazardous materials abatement and demolition of the Los Angeles County Courthouse located in the City, the relocation of the 3rd Street and Pacific Avenue storm drain, and one-time and construction costs related to the Civic Center project (collectively, the "Projects"); and

WHEREAS, it is proposed that the Projects will be financed from the proceeds of Lease Revenue Bonds, Series 2016A (Courthouse Demolition Project) (the "Bonds"), to be issued by the Finance Authority of Long Beach (the "Authority"), under the provisions of Article 4 (commencing with section 6584) of the California Government Code in an aggregate principal amount not to exceed \$14,500,000, such Bonds to be issued pursuant to the terms of an indenture of trust, by and between the Authority and U.S. Bank National Association, as trustee; and

WHEREAS, in order to provide for the repayment of the Bonds, the Authority will lease certain real property and improvements (the "Property") to the City pursuant to a lease agreement (the "Lease Agreement") under which the City will agree to make lease payments to the Authority from moneys in the City's General Fund and the City will budget and appropriate sufficient amounts in each year to pay the lease

1 payments, which will be equal to the scheduled principal of and interest on the Bonds;
2 and

3 WHEREAS, the proposed form of a preliminary official statement (the
4 "Preliminary Official Statement") describing the Bonds, to be used in connection with the
5 marketing of the Bonds, has been prepared and has been presented to the City; and

6 WHEREAS, the firm of Merrill Lynch, Pierce, Fenner & Smith Incorporated
7 (the "Underwriter") has proposed to purchase and underwrite the Bonds and has
8 presented to the City a form of bond purchase agreement for the Bonds, to be entered
9 into among the Authority, the City and the Underwriter (the "Bond Purchase Agreement");
10 and

11 WHEREAS, as required by section 6586.5(a) of the California Government
12 Code, a public hearing has been held by the City Council in connection with the
13 financing; and

14 WHEREAS, the City Council desires to make a finding of significant public
15 benefit pursuant to section 6586.5(a)(2) of the California Government Code and to
16 approve of the financing and the transactions contemplated by the Bonds; and

17 WHEREAS, the City Council has duly considered such transactions and
18 wishes at this time to approve said transactions in the public interests of the City;

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

21 Section 1. Recitals True and Correct. The City Council hereby finds and
22 determines that the foregoing recitals are true and correct.

23 Section 2. Findings. The City Council hereby finds that significant public
24 benefits will arise from the financing contemplated by the Bonds and the documents
25 related thereto, in accordance with section 6586 of the California Government Code.

26 Section 3. Approval of Bonds. The City Council hereby approves the
27 issuance of the Bonds by the Authority for the purpose of providing funds to finance costs
28 of the Projects and to pay the costs of issuance of the Bonds.

1 Section 4. Approval of Site and Facility Lease. The City Council hereby
2 approves a site and facility lease, by and between the City and the Authority (the “Site
3 and Facility Lease”), pursuant to which the City will lease the Property to the Authority, to
4 be leased back to the City pursuant to the Lease Agreement, in the form on file with the
5 City Attorney, together with any changes therein or additions thereto deemed advisable
6 by the City Manager, the Director of Financial Management or the City Treasurer (each, a
7 “Designated Officer”), and the execution of the Site and Facility Lease by a Designated
8 Officer shall be conclusive evidence of such approval. The Designated Officers, each
9 acting alone, are hereby authorized and directed for and in the name and on behalf of the
10 City to execute the final form of the Site and Facility Lease for and in the name of the
11 City. The City Council hereby authorizes the delivery and performance of the Site and
12 Facility Lease.

13 Section 5. Approval of Lease Agreement. The City Council hereby
14 approves the Lease Agreement, in the form on file with the City Attorney, together with
15 any changes therein or additions thereto deemed advisable by any of the Designated
16 Officers, and the execution of the Lease Agreement by a Designated Officer shall be
17 conclusive evidence of the approval of any such changes or additions, so long as the
18 term of the Lease Agreement (not including extensions, as permitted therein) does not
19 extend beyond August 1, 2026, and so long as the maximum annual payments to be
20 made by the City under the Lease Agreement do not exceed \$1,700,000. The
21 Designated Officers, each acting alone, are hereby authorized and directed for and in the
22 name and on behalf of the City to execute the final form of the Lease Agreement for and
23 in the name of the City. The City Council hereby authorizes the delivery and performance
24 of the Lease Agreement.

25 Section 6. Sale of Bonds. The City Council hereby approves the sale of
26 the Bonds by the Authority by negotiation with the Underwriter pursuant to the Bond
27 Purchase Agreement, in the form on file with the City Attorney, together with such
28 additions thereto and changes therein as any of the Designated Officers shall deem

1 necessary, desirable or appropriate, and the execution of which by a Designated Officer
2 shall be conclusive evidence of the approval of such additions and changes. The
3 Designated Officers, each acting alone, are hereby authorized and directed for and in the
4 name and on behalf of the City to execute the final form of the Bond Purchase
5 Agreement for and in the name of the City; provided that the amount of Underwriter's
6 discount for the Bonds (excluding any original issue discount which does not represent
7 compensation to the Underwriter) shall be not more than 0.50% of the par amount
8 thereof.

9 Section 7. Official Statement. The City Council hereby approves, and
10 hereby deems nearly final within the meaning of Rule 15c2-12 of the Securities Exchange
11 Act of 1934 (the "Rule"), the Preliminary Official Statement, in the form on file with the
12 City Attorney. The Designated Officers, each acting alone, are hereby authorized and
13 directed to execute an appropriate certificate stating the City's determination that the
14 Preliminary Official Statement is nearly final within the meaning of the Rule. Distribution
15 of the Preliminary Official Statement in connection with the sale of the Bonds is hereby
16 approved. The Designated Officers, each acting alone, are hereby authorized and
17 directed, upon consultation with Disclosure Counsel to the Authority for the Bonds and
18 the City Attorney, to approve any changes in or additions to the Preliminary Official
19 Statement deemed necessary or desirable to bring it into the form of a final official
20 statement (the "Final Official Statement"), and the execution of the Final Official
21 Statement by any Designated Officer shall be conclusive evidence of approval of any
22 such changes and additions. The City Council hereby authorizes the distribution of the
23 Final Official Statement by the Underwriter. The Final Official Statement shall be
24 executed in the name and on behalf of the City by any of the Designated Officers.

25 Section 8. Official Actions. The Mayor, the City Manager, the Director of
26 Financial Management, the City Treasurer, the City Attorney, the City Clerk and all other
27 officers of the City are each authorized and directed in the name and on behalf of the City
28 to make any and all assignments, certificates, requisitions, agreements, notices,

1 consents, instruments of conveyance, warrants and other documents, which they or any
2 of them might deem necessary or appropriate in order to consummate any of the
3 transactions contemplated by the documents approved pursuant to this Resolution.
4 Whenever in this Resolution any officer of the City is authorized to execute or countersign
5 any document or take any action, such execution, countersigning or action may be taken
6 on behalf of such officer by any person designated by such officer to act on his or her
7 behalf in the case such officer shall be absent or unavailable.

8 Section 9. This resolution shall take effect immediately upon its adoption
9 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

10 I hereby certify that the foregoing resolution was adopted by the City
11 Council of the City of Long Beach at its meeting of December 15, 2015
12 by the following vote:

13
14 Ayes: Councilmembers: Gonzalez, Lowenthal, Price, Supernaw,
15 Mungo, Andrews, Uranga, Austin,
16 Richardson.
17 _____

18 Noes: Councilmembers: None.
19 _____

20 Absent: Councilmembers: None.
21 _____

22
23 *Maria del L. Garcia*
24 City Clerk
25
26
27
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