

1 RESOLUTION NO. C- 28490

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH APPROVING THE ISSUANCE BY
5 CALIFORNIA STATEWIDE COMMUNITIES
6 DEVELOPMENT AUTHORITY OF TAXABLE AND TAX-
7 EXEMPT OBLIGATIONS IN AN AGGREGATE PRINCIPAL
8 AMOUNT NOT TO EXCEED \$69,000,000, OF WHICH NOT
9 MORE THAN \$7,000,000 WILL BE ALLOCABLE TO THE
10 PROJECT (AS DEFINED BELOW), AND AUTHORIZING
11 RELATED ACTIONS

12
13 WHEREAS, California Statewide Communities Development Authority
14 ("CSCDA") issued its Insured Certificates of Participation Evidencing Proportionate
15 Interests of the Holders Thereof in Installment Payments to be Paid by CALIFORNIA
16 STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY to Gold Country Health
17 Center, Inc., Mayflower Gardens Health Facilities, Inc., Mayflower RHF Housing, Inc.,
18 Bixby Knolls Towers, Inc., dated April 15, 1992 (the "1992 COPs") for the purpose of
19 refinancing the cost of acquisition and construction of an existing 168-unit congregate
20 care facility, 60-unit assisted living facility, 99-bed skilled nursing facility and related
21 facilities known as Bixby Knolls Towers and located at 3737 Atlantic Avenue, Long
22 Beach, California (the "Facility") for the benefit of Retirement Housing Foundation
23 ("RHF"); and

24 WHEREAS, the Facility is owned by Bixby Knolls Towers, Inc. ("BKT"), a
25 California not-for-profit corporation and a wholly owned subsidiary of RHF (collectively
26 with BKT, the "Borrowers"), also a California not-for-profit corporation; and

27 WHEREAS, the Borrowers refinanced the Facility through the issuance by
28 CSCDA of taxable and tax-exempt obligations in an aggregate principal amount not to

Robert E. Shannon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

1 exceed \$69,000,000 issued in separate series over time pursuant to a common plan of
2 finance, of which not more than \$7,000,000 was allocable to the Facility (those
3 obligations allocable to the Facility are referred to herein as the "1998 Obligations"); and

4 WHEREAS, the City of Long Beach (the "City") determined that there
5 were significant public benefits in refinancing the Facility; and

6 WHEREAS, the Authority assisted the City in refinancing the Facility by
7 issuing the 1998 Obligations; and

8 WHEREAS, pursuant to the documents governing the 1998 Obligations, a
9 portion of such obligations were issued as federally taxable obligations subject to
10 conversion to federally tax-exempt obligations (the "Conversion") at the direction of RHF
11 and upon satisfaction of certain conditions; and

12 WHEREAS, RHF desires to convert the remaining \$9,500,000 of
13 obligations to tax-exempt obligations as soon as possible and pursuant to Section
14 147(f) of the Internal Revenue Code of 1986 (the "Code") such Conversion of the 1998
15 Obligations by CSCDA must be approved by the City because the Facility is located
16 within the territorial limits of the City; and

17 WHEREAS, the City Council of the City of Long Beach (the "City Council")
18 is the elected legislative body of the City and is one of the applicable elected
19 representatives required to approve the Financing and the Conversion of the 1998
20 Obligations under Section 147(f) of the Code; and

21 WHEREAS, CSCDA has requested that the City Council approve the
22 Conversion of the 1998 Obligations in order to satisfy the public approval requirement
23 of Section 147(f) of the Code and the requirements of Section 9 of the Joint Exercise of
24 Powers Agreement (the "Agreement"), dated as of June 1, 1988, among certain local
25 agencies, including the City; and

26 WHEREAS, pursuant to Section 147(f) of the Code, the City Council has,
27 following notice duly given, held a public hearing regarding the Financing and the
28 Conversion of the 1998 Obligations, and the City Council now desires to approve the

1 Financing and the Conversion of the 1998 Obligations;

2 NOW, THEREFORE, the City Council resolves as follows:

3 Section 1. The foregoing recitals are true and correct and this City
4 Council does hereby so find and determine.

5 Sec. 2. The City Council hereby approves the Conversion of the
6 1998 Obligations and the Financing and acknowledges and consents to the Financing
7 as part of a plan of finance for the Bixby Knolls Project which includes the initial
8 issuance of the 1998 Obligations, at one or more initial interest rates which are either all
9 federally taxable, all federally tax-exempt or a combination of taxable and tax-exempt,
10 with subsequent conversions at one or more times of some or all of the taxable 1998
11 Obligations to bear federally tax-exempt rates. In addition, the City Council hereby
12 declares its intention to and determines and agrees that it shall take, and hereby
13 authorizes and directs its officers to take, such actions for the City to reapprove and to
14 reaffirm and reconfirm its approval of the Conversion of the 1998 Obligations to bear
15 interest at a federally tax-exempt rate, as shall be reasonably requested by bond
16 counsel in order that it may render its opinion to the effect that upon such Conversion
17 interest on the 1998 Obligations is excludable from gross income for federal income tax
18 purposes. It is the purpose and intent of the City Council that this resolution constitute
19 approval of the Conversion for the purposes of (a) Section 147(f) of the Code by the
20 applicable elected representative of the governmental unit having jurisdiction over the
21 area in which the Bixby Knolls Project is located, in accordance with said Section 147(f)
22 and (b) Section 9 of this Agreement.

23 Sec. 3. The City Manager, Director of Finance, City Treasurer, City
24 Attorney, City Clerk and all other officers, agents and employees of the City are, and
25 each of them is, hereby authorized and directed to take any and all actions and execute
26 and deliver any and all documents necessary or convenient to assist CSCDA in the
27 Conversion of the 1998 Obligations. This City Council hereby ratifies, confirms and
28 approves all other documents and all actions heretofore taken by the officers and

Robert E. Shannon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

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agents of the City Council or the City with respect to the Conversion.

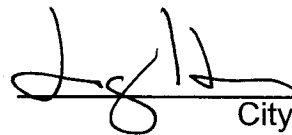
Sec. 4. This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting this resolution.

I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of December 7, 2004, by the following vote:

Ayes: Councilmembers: Lowenthal, Baker, Colonna,
O'Donnell, Kell, Richardson,
Reyes Uranga, Gabelich, Lerch.

Noes: Councilmembers: None.

Absent: Councilmembers: None.



City Clerk

HAM:fl
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