



# CITY OF LONG BEACH

# H-2

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard, 6th Floor ♦ Long Beach, CA 90802

July 22, 2008

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Conduct a hearing on the proposed levy of a new parcel tax, receive supporting documentation into the record, conclude the hearing; adopt motion of intention to issue infrastructure bonds; adopt finding of emergency; and adopt the attached Resolution calling for an election on November 4, 2008, for the purpose of authorizing such levy (Long Beach Infrastructure Reinvestment Act). (Citywide)

## DISCUSSION

On August 21, 2007, City staff presented to the City Council a comprehensive assessment of the City's transportation infrastructure and facility needs, a summary of potential funding sources, and recommendations for funding strategies. This presentation served as a catalyst for further research and discussion, which included a City Council Study Session on December 18, 2007 highlighting the status of specific capital projects to date. Since that time, staff has been compiling a detailed list of priority infrastructure and facility projects as well as researching the various financing options.

### Critical Infrastructure Needs

The August 21, 2007 report to the City Council, "A City in Need of Capital Investment," consolidated the work of numerous independent assessments and engineering studies, documented the poor condition of the City's streets, sidewalks, alleys, stormwater collection systems, public buildings, parks, libraries (collectively, "infrastructure"), and demonstrated a need for additional revenue to address these critical deficiencies. Some of the key findings of the report were:

- Only 49 percent of the arterial streets and 36 percent of the local streets have a condition rating of "Good" or "Very Good" as measured by the Pavement Condition Index (PCI).
- Thirty (30) percent of the City's storm drain facilities are undersized, a condition directly attributable to the City's development over the past 30 years.

- Many of the City's public buildings are rated as "poor" and have exceeded their useful life and may need to be shut down if not rehabilitated or replaced.
- Many of the City's fire stations were constructed in the early to mid-1900's and are inadequate to meet current building standards, gender equality requirements, and ever-increasing public safety demands, and may not survive a significant seismic event or be able to contain all of the equipment necessary to respond most effectively in the event of a major emergency or disaster.
- Ninety (90) percent of asphalt alleys and 12 percent of concrete alleys have outlived their useful life, and need to be replaced.
- Over 160 miles of sidewalks are in need of replacement or repair.

All residents and businesses in the City benefit from decent, safe, sanitary, and optimally functioning infrastructure and the resulting elimination of blighting influences, reduction of crime rates, enhancement of property values, and an improvement of their overall quality of life. Additionally, the City's economic health, as evidenced by the retention of existing and attraction of new businesses, increased convention activities, and increased cultural and recreational tourist levels, is directly affected by the condition of its infrastructure.

#### Fiscal Emergency Declaration

Based on an extensive analysis, staff has identified \$836.7 million in infrastructure needs throughout the City. However, projected federal, state, county and local funding sources will only be able to support approximately 32 percent of these costs, or \$265.4 million, over the next ten years. While the City does receive funding from a variety of sources, those sources of funding are restricted to only certain types of infrastructure, are not all recurring sources of revenue, and/or are insufficient to meet all of the City's infrastructure needs. For example, there is no annually recurring source of funding from federal, state, county or local sources for the City's alleys, libraries, fire facilities, police facilities, or health facilities.

In addition, while certain funding streams may be available annually, the current annual allocation of approximately \$15.9 million for streets is comprised of a patchwork of seven separate revenue sources with disparate eligibility criteria, funding parameters and expenditure restrictions that may not coincide with the actual needs of the City. For example, eligible funding sources for local residential streets fall far short of addressing neighborhood needs. More importantly, available funding still falls short of the amount needed annually to replace the City's aged streets by approximately \$12 million.

As such, \$571.3 million in unfunded, priority infrastructure needs for the next ten years have been identified (Attachment A). The comprehensive list of projects that comprise this number represents the culmination of more than two years of analysis by City departments and outside experts. If a significant investment is not made in these vital assets now, their

HONORABLE MAYOR AND CITY COUNCIL

July 22, 2008

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continued deterioration will result in even more costly repairs in the future, and potential service interruptions to residents, continued property damage claims against the City, increased costs to lease more suitable facilities and the continued negative impact of rapidly deteriorating City assets. As such, pursuant to Section 2(b) of California Constitution Article XIIC, it is recommended that the City Council hereby unanimously declare the existence of an emergency in that there are imminent financial risks and dangers to the public welfare and the City's financial ability to provide essential municipal services without disruption, such that a special election is necessary to address such risks and dangers before the next regularly scheduled municipal election for members of the City Council on April 13, 2010.

The City's total unmet needs are summarized as follows:

INVESTING IN OUR INFRASTRUCTURE			
	Capital Needs	Anticipated Funding	Unmet Need
Streets, Sidewalks & Alleys	\$ 275,160,552	\$ 116,085,552	\$ 159,075,000
Public Safety Facilities	\$ 237,131,561	\$ 85,400,000	\$ 151,731,561
Coastal Water Quality Upgrades	\$ 200,390,000	\$ 25,640,000	\$ 174,750,000
Parks & Recreational Facilities	\$ 91,370,716	\$ 30,300,000	\$ 61,070,716
Libraries & Health Facilities	\$ 32,671,689	\$ 8,000,000	\$ 24,671,689
TOTAL	\$ 836,724,518	\$ 265,425,552	\$ 571,298,966

Financing Plan

Staff working with the City's financial advisors has researched and evaluated the various financing options available to fund these projects. To provide sufficient funding to adequately address the \$571.3 million in unfunded infrastructure needs Citywide over the next ten years, staff recommends the creation of a parcel tax. A general parcel tax requires a simple majority vote of the electorate. The passage of this tax and the resulting enhancement of the City's infrastructure will serve to increase property tax values, facilitate the needs of businesses and improve the quality of life of Long Beach residents.

Proposed Tax Rates

To achieve annual revenue of \$31.5 million to support the debt service required for the issuance of bonds that will fund capital projects totaling \$571.3 million, an annual parcel tax of \$120 (\$10 per month) per single-family dwelling is recommended, effective July 1, 2009. For non-residential parcels (including industrial and commercial), the parcel tax varies based on land use classification but is no higher than \$0.0878 per square foot. To

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assist elderly residents living on a fixed income, senior citizens in owner-occupied residences will be eligible for an exemption from this tax as well as disabled residents. The schedule of proposed tax rates can be found in Exhibit A. It is important to note that Long Beach's current property tax rate of 1.057461 percent is the lowest of California's ten largest cities. Moreover, in comparison to the 88 other cities in Los Angeles County, Long Beach's property tax rate ranks 70<sup>th</sup> out of the 88 cities placing Long Beach among the cities with the lowest property tax rates in both California's ten largest cities and in Los Angeles County.

This letter was reviewed by Assistant City Attorney Heather Mahood on July 7, 2008 and Budget and Performance Management Bureau Manager David Wodynski on July 3, 2008.

TIMING CONSIDERATIONS

City Council action on July 22, 2008 is needed to place a measure on the November 4, 2008 ballot.

FISCAL IMPACT

The City has conducted an extensive analysis, as requested by the City Council, of the City's infrastructure needs over the next ten years. It is clear that the City does not have sufficient resources to address the level of its infrastructure needs over the next decade. In addition, with each passing year, the cost of improving the City's infrastructure increases exponentially making it even more cost prohibitive to incur unnecessary delays. An annual parcel tax of \$120 per single-family dwelling, and up to \$0.0878 per square foot for other properties, adjusted annually for inflation, would generate approximately \$31.5 million annually. This annual revenue would allow the City to issue bonds to finance its infrastructure needs over the next 30-35 years.

Based on current market conditions, it is projected that municipal bonds totaling \$638 million would be issued to fund \$571 million in project costs, a debt service reserve fund of \$62.5 million, and \$4.5 million in underwriter's fees, attorneys fees, and related costs. The City's financial advisors have reviewed and approved this proposed financing plan. The tax will sunset in approximately 35 years upon the final maturity date of the last outstanding bond(s). It is also recommended that the City Auditor conduct an audit of these funds annually to ensure that voter intent is met. With a Standard and Poor's rating of AA-, with a Stable Outlook, it is anticipated these bonds will be well received by municipal bond investors.

Without this additional revenue, the City's vital infrastructure assets will continue to rapidly deteriorate, placing the City's residents, businesses and employees at increased safety risk and economic decline. It will cost approximately \$13,000 to place the Long Beach Infrastructure Reinvestment Act on the November 4, 2008 ballot. The Proposed FY 09 Budget for the City Clerk's Department will include this cost.

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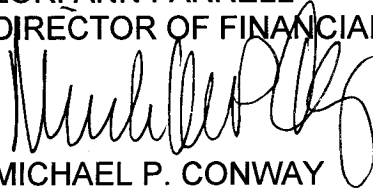
SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LORI ANN FARRELL  
DIRECTOR OF FINANCIAL MANAGEMENT/CFO



MICHAEL P. CONWAY  
DIRECTOR OF PUBLIC WORKS



HEATHER A. MAHOOD  
ASSISTANT CITY ATTORNEY

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ATTACHMENTS

APPROVED:



PATRICK H. WEST  
CITY MANAGER



## **Infrastructure Improvement Projects**

### **Streets**

100 miles of arterial streets overlaid or reconstructed  
300 miles of local streets overlaid or reconstructed

### **Sidewalks**

163 Miles of repairs and replacements

### **Alleys**

75 Miles of overlays, and new construction.

### **Public Safety Facilities**

9 New Fire Stations  
17 Reconstructed Fire Stations  
New Fire Training Facility  
New East Division Police Substation  
New Police Academy

### **Coastal Water Quality Upgrades**

28.1 Miles of storm drains  
3,000 Catch Basin trash inserts, trash deflectors and treatment devices  
5 Outfalls with treatment devices  
23 City-owned pump stations with low flow diversion upgrades and treatment devices  
Acquisition, restoration, preservation of up to 220 acres of wetlands and open space

### **Parks and Recreational Facilities**

11 New Community Centers  
24 rehabilitated Community Centers  
20 New Rest Facilities  
Development of 3 new Parks  
Repaired and upgraded pool

### **Libraries and Health Facilities**

7 local libraries rehabilitated  
Main library rebuilt  
Critical Capital Improvements to 4 Health facilities

City of Long Beach  
Infrastructure Investment Measure  
\$571.3 million Funding Gap



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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF LONG BEACH CALLING AN ELECTION TO BE  
HELD IN THE CITY OF LONG BEACH ON THE 4<sup>TH</sup> DAY OF  
NOVEMBER, 2008, FOR THE PURPOSE OF AUTHORIZING  
THE LEVY OF A NEW PARCEL TAX TO FUND CITY  
INFRASTRUCTURE AND GENERAL CITY SERVICES  
(LONG BEACH INFRASTRUCTURE REINVESTMENT ACT)

WHEREAS, the City's streets, sidewalks, alleys, storm water collection systems, public buildings, health and safety facilities, parks and libraries (collectively, "Infrastructure") are in need of repair, improvement, or total replacement; and

WHEREAS, funding for the repair, improvement or replacement of the City's Infrastructure has not kept pace with the cost of doing so, and there is a need for additional revenue for this purpose; and

WHEREAS, the City has identified a \$571 million funding shortfall to meet its critical infrastructure needs after taking into account all current and projected Federal, State, County and local revenue sources; and

WHEREAS, many public buildings have exceeded their useful life and may be shut down, with associated services suspended, if not rehabilitated, improved or replaced; and

WHEREAS, the City's population has increased by 36 percent over the past 30 years, which has increased the demand on, and accelerated the deterioration of, the City's Infrastructure; and

WHEREAS, many of the City's fire stations were constructed in the mid-1900's and are inadequate to meet current building standards, gender equality standards, and ever-increasing public safety demands, and may not survive a significant seismic



1 event or be able to contain all of the equipment necessary to respond most effectively in  
2 the event of a major emergency or disaster; and

3 WHEREAS, all citizens of the City benefit from decent, safe, sanitary, well  
4 maintained, and optimally functioning Infrastructure and the resulting elimination of  
5 blighting influences, reduction of crime, enhancement of property values, and an  
6 improvement of their quality of life; and

7 WHEREAS, the City desires to increase passive and active open space  
8 through the acquisition and preservation of wetlands and open space, serving both the  
9 densely populated neighborhoods and the City as a whole; and

10 WHEREAS, the City's economic health, as evidenced by: the retention of  
11 existing and attraction of new business, increased convention activities, regionally  
12 significant special events, and increased cultural and recreational tourist levels, is directly  
13 affected by the condition of its infrastructure; and

14 WHEREAS, pursuant to Section 2(b) of California Constitution Article XIIC,  
15 the City Council hereby unanimously declares the existence of an emergency in that  
16 there are imminent financial risks and dangers, as described above, to the public welfare  
17 and the City's financial ability to provide essential municipal services without disruption,  
18 such that a special election is necessary to address such risks and dangers before the  
19 next regularly scheduled municipal election for members of the City Council on April 13,  
20 2010;

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

23 Section 1. Under the provisions of the Constitution and laws of the State  
24 of California and the Charter of the City of Long Beach, an election is ordered,  
25 proclaimed and called to be held in the City of Long Beach, between the hours of 7:00  
26 a.m., and 8:00 p.m., on Tuesday, the 4th day of November, 2008, for the purpose of  
27 submitting to a vote of the qualified electors of the City of Long Beach the following  
28 proposition which, for identification purposes, is marked as Proposition B:

1           Proposition B

2           To repay bonds which the City intends to issue to repair/replace city streets,  
3           sidewalks, alleys, storm drains, fire stations, police stations, libraries and  
4           recreational facilities and to acquire, restore and preserve approximately  
5           220 acres of wetlands, and to fund critical general City services, shall an  
6           Ordinance be adopted which establishes an annual parcel tax of \$120 per  
7           residential unit (.4 to 8.8 cents per square foot for other uses) adjusted  
8           annually for inflation?

9                   Section 2.     Notice is hereby given of the time and place of the election.  
10          The City Clerk is directed and authorized to print and publish the proposition as required  
11          by law. All particulars not provided in this resolution shall be held under the provisions of  
12          law governing the conduct of such elections in the City of Long Beach.

13                   Section 3.     The proposition shall be stated as provided in Section 13119  
14          of the Elections Code of the State of California. The ballot used in voting upon the  
15          propositions shall contain the words "yes" and "no". The text of Proposition B is set forth  
16          in full in Exhibit "A".

17                   Section 4.     That only qualified voters of the City of Long Beach shall be  
18          permitted to vote in the election called by this resolution.

19                   Section 5.     Upon approval by the voters of the measure set forth in  
20          Exhibit "A", attached hereto and incorporated herein by this reference, the City Council is  
21          hereby authorized to establish and adopt, by ordinance, a new annual parcel tax in the  
22          amounts set forth in Exhibit "A" within the boundaries of the City of Long Beach.

23                   Section 6.     In connection with the proposed new parcel tax, the City  
24          Council proposes to increase the City's appropriations limit per fiscal year, in an amount  
25          equal to the levy of taxes for said year, as permitted by Article XIII B of the California  
26          Constitution.

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

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

Ayes: Councilmembers: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
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Noes: Councilmembers: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Absent: Councilmembers: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

City Clerk

HAM:fl  
07/14/08  
#A08-01694

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EXHIBIT "A"

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF LONG BEACH  
ADDING CHAPTER 3.85 TO THE LONG BEACH  
MUNICIPAL CODE IMPOSING A GENERAL PARCEL TAX  
(LONG BEACH INFRASTRUCTURE REINVESTMENT ACT)

The people of the City of Long Beach ordains as follows:

Section 1. Chapter 3.85 is hereby added to the Long Beach Municipal  
Code to read in its entirety as follows:

Chapter 3.85

Long Beach Infrastructure Reinvestment Act

3.85.010 Short title.

This Chapter shall be known as the "Long Beach Infrastructure  
Reinvestment Act."

3.85.020 Legislative findings and declarations.

A. The City's streets, sidewalks, alleys, storm water collection  
systems, public buildings, health and safety facilities, parks and libraries  
(collectively, "Infrastructure") are in need of repair, improvement, or total  
replacement.

B. Funding for the repair, improvement or replacement of the  
City's Infrastructure has not kept pace with the cost of doing so, and there is  
a need for additional revenue for this purpose.

C. The City has identified a \$571 million funding shortfall to meet  
its critical infrastructure needs after taking into account all current and

1 projected Federal, State, County and local revenue sources.

2 D. Many public buildings have exceeded their useful life and may  
3 be shut down, with associated services suspended, if not rehabilitated,  
4 improved or replaced.

5 E. The City's population has increased by 36 percent over the  
6 past 30 years, which has increased the demand on, and accelerated the  
7 deterioration of, the City's Infrastructure.

8 F. Many of the City's fire stations were constructed in the mid-  
9 1900's and are inadequate to meet current building standards, gender  
10 equality standards, and ever-increasing public safety demands, and may  
11 not survive a significant seismic event or be able to contain all of the  
12 equipment necessary to respond most effectively in the event of a major  
13 emergency or disaster.

14 G. All citizens of the City benefit from decent, safe, sanitary, well  
15 maintained, and optimally functioning Infrastructure and the resulting  
16 elimination of blighting influences, reduction of crime, enhancement of  
17 property values, and an improvement of their quality of life.

18 H. The City desires to increase passive and active open space  
19 through the acquisition and preservation of wetlands and open space,  
20 serving both the densely populated neighborhoods and the City as a whole.

21 I. The City's economic health, as evidenced by: the retention of  
22 existing and attraction of new business, increased convention activities, and  
23 increased cultural and recreational tourist levels, is directly affected by the  
24 condition of its infrastructure.

25 3.85.030 Parcel tax imposed.

26 A. The City shall be authorized to impose and levy a parcel tax  
27 each year on each parcel of real property within the City described below,  
28 based on the use or right of use of the parcel, for the purposes stated in this

Chapter. The tax hereby imposed shall be at the rates set forth below:

LAND USE CLASSIFICATION	TAX
Single Family Residence	\$ 120 per Parcel
Multi-Family Residence	\$ 120 per Unit
Commercial	\$ 0.0878 per Sq. Ft. of Improvements
Office Buildings	\$ 0.0878 per Sq. Ft. of Improvements
Hotels/Motels	\$ 0.0878 per Sq. Ft. of Improvements
Shopping Centers	\$ 0.0878 per Sq. Ft. of Improvements
Light Industrial	\$ 0.0878 per Sq. Ft. of Improvements
Heavy Industrial	\$ 0.0878 per Sq. Ft. of Land
Vacant Land and Parking Lots	\$ 0.0746 per Sq. Ft. of Land
Recreational-Golf Courses	\$ 0.0040 per Sq. Ft. of Land

B. The amounts set forth above shall be automatically adjusted on July 1, 2010, and on July 1 of each year thereafter, upward or downward, equivalent to the most recent change in the annual average of the consumer price index as published by the United States Department of Labor for the Los Angeles-Riverside-Orange County area. For purposes of calculating the annual inflation/deflation factor under this Section, the base year shall be that year ending with December 31, 2008. Nothing in this Chapter shall be construed as imposing a tax upon any person when imposition of such tax upon that person would be in violation of either the Constitution of the United States or the Constitution of the State of California.

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C. The tax imposed by this Chapter shall not be levied upon the Federal government, the State government, any state agency or any local governmental agency.

D. The tax imposed by this Chapter shall be assessed upon the owner of the parcel unless the owner is by law exempt from taxation, in which case, the tax imposed shall be assessed to the holder of any possessory interest in such parcel, unless such holder is also by law exempt from taxation. "Possessory interest" as it applies to property owned by any agency of federal, state or local government, shall mean possession of, claim to, or right to the possession of, land or improvements and shall include any exclusive right to the use of such land or improvements.

E. The tax imposed by this Chapter shall not be levied upon a parcel of property or improvement to property which is owned by a house of worship or non-profit organization which qualifies for an exemption from ad valorem taxation under California law.

F. It is the intent of the City to tax all parcels located within the City limits. In the event a use category is not listed in the table above, that use category shall be taxed at the same rate as Commercial.

3.85.040 Use of proceeds.

The proceeds of this tax may be used for any general fund purpose.

3.85.050 Term of parcel tax.

The parcel tax shall take effect on July 1, 2009, and shall continue in effect until June 30, 2044.

3.85.060 Definitions.

The following terms as used in this Chapter shall have the meanings indicated in this Section as follows:

A. "Parcel" means any unit of real property in the City which

1 receives a separate tax bill for ad valorem property taxes from the Los  
2 Angeles County Treasurer-Tax Collector's Office.

3 B. The terms "Single Family Residential," "Multifamily  
4 Residential", "Commercial," "Office Buildings," "Hotels/Motels," "Shopping  
5 Centers," "Light Industrial," "Heavy Industrial," "Vacant Land," "Parking Lots"  
6 and "Recreational-Golf Courses," shall have the same meaning as utilized  
7 by the Office of the Los Angeles County Assessor in imposing and  
8 calculating ad valorem property taxes. In the event that the Office of the  
9 Los Angeles County Assessor modifies such categories, the designations  
10 contained in this Chapter shall be deemed to be amended to match the  
11 newly created category mostly closely matching the categories listed above.

12 C. "Unit" means a structure constructed primarily for human  
13 habitation, which may be an individual detached residential unit, an  
14 individual attached residential unit within a duplex, triplex, fourplex,  
15 townhome, or condominium structure, an individual apartment unit, or a  
16 mobile home or other dwelling unit.

17 3.85.070 Collection of tax.

18 A. The tax shall be collected on behalf of the City by the County  
19 of Los Angeles. The City Clerk shall file with the County a certified copy of  
20 a tax roll with a request that the taxes be posted to the County roll for  
21 general property taxes. This filing shall occur on or before August 1st of the  
22 fiscal year in which the taxes are to be collected. The tax shall be collected  
23 at the same time and in the same manner and shall be subject to the same  
24 late charges and penalties for delinquency as general property taxes and all  
25 laws providing for the collection and enforcement of such property taxes  
26 shall apply to the collection and enforcement of the tax. After deduction of  
27 the collection charges of the County, the net amount of the taxes collected  
28 shall be remitted to the City.



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B. If the County of Los Angeles does not collect any tax due under this Chapter, then the Director of Financial Management shall have the power and duty to enforce all of the provisions of this Chapter. In such cases an assessment may be made against the owner of a parcel and improvements in the manner provided by law. Any unpaid tax due under this Chapter shall be subject to all remedies provided by law.

C. The tax shall be due in two equal installments in accordance with the collection procedures of the Los Angeles County tax collector with the first installment due November 1st, and the second installment due the next succeeding February 1st, in each fiscal year. The owner of the land, land and improvements, at the time set forth in California Revenue and Taxation Code Sections 405 and 2192 for each fiscal year shall have a personal obligation to the City until the tax is paid for each fiscal year.

3.85.080 Exemptions.

A. An exemption from the tax will be made available to owners of single family residential units in which they reside who will attain the age of 65 years during the assessment year, who owns a beneficial interest in the parcel and who uses that parcel as his or her principal place of residence. Owners must apply to the City for this exemption in the manner and at the time set forth in procedures established by the City. Such application shall be on forms available from the Director of the Department of Financial Management. Any one application from a qualified applicant will provide an exemption for the parcel for that assessment year, and with an annual renewal with the City, for the remaining term of the assessment so long as such applicant continues to use the parcel as his or her principal residence.

B. An exemption from the tax will be made for owners of single family residential units receiving Supplemental Security Income for a disability, regardless of age. Owners must apply to the City for this

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exemption annually in the manner and at the time set forth in procedures established by the City. Such application shall be on forms available from the Director of the Department of Financial Management and must provide information sufficient to verify that such owner is in fact receiving Supplemental Security Income for a disability.

3.85.090 Adjustments and refunds.

A. Requests for adjustments involving imposition of this tax may be filed with the Director of Financial Management. Upon sufficient evidence of error in the computation of the tax, the Director of Financial Management or his/her designee shall cause the tax to be recalculated, and shall so advise the Los Angeles County Tax Collector or other appropriate official.

B. Whenever it is alleged that the amount of any tax has been overpaid or paid more than once or has been erroneously or illegally collected or received by the City under this Chapter the refund procedure shall be as follows:

No claim for refund of tax payment shall be allowed in whole or in part unless filed with the City Clerk within a period of three (3) years from the date of the claimed overpayment. All such claims for refund of the amount of the overpayment must be filed on forms furnished, and in the manner prescribed by the Department of Financial Management. Refunds may be made solely from the Long Beach Infrastructure Reinvestment Special Tax Fund.

C. The Director of Financial Management may prepare a questionnaire to be served on the owner of a parcel or improvements subject to the tax imposed by this Chapter. The questionnaire may request information which would be useful to the Director of Financial Management in the enforcement or administration of this Chapter. The failure by an

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owner to provide the information requested within thirty (30) days of receipt of the request, or the act of an owner in knowingly providing false information, shall be a misdemeanor.

3.85.100 Independent audit.

The City Auditor shall annually cause an independent financial auditor to prepare a report, which shall be filed with the City Council no later than January 1<sup>st</sup> of each year, containing information regarding the amount of tax revenue collected and expended in the previous fiscal year, and the status of any projects and programs funded by such tax revenue.

Section 2. As provided in Section 2001 of the Long Beach City Charter, if a majority of those electors voting on this ordinance vote in favor of same, it shall be adopted upon a declaration of the result of such ballot by the City Council, and it shall take effect ten (10) days after that date.

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