

RESOLUTION NO.

1  
2  
3 A RESOLUTION OF THE CITY COUNCIL OF THE  
4 CITY OF LONG BEACH APPROVING PROCEEDINGS BY  
5 THE LONG BEACH BOND FINANCE AUTHORITY FOR  
6 THE ISSUANCE AND SALE OF LEASE REVENUE BONDS  
7 TO REFUND THE AUTHORITY'S OUTSTANDING LONG  
8 BEACH BOND FINANCE AUTHORITY LEASE REVENUE  
9 BONDS, 1999 SERIES A (RAINBOW HARBOR  
10 REFINANCING PROJECT), AND TO REFUND THE  
11 OUTSTANDING 1997 CERTIFICATES OF PARTICIPATION  
12 (QUEENSWAY BAY PARKING FACILITY), AND  
13 APPROVING RELATED DOCUMENTS AND OFFICIAL  
14 ACTIONS

15  
16 WHEREAS, the Long Beach Bond Finance Authority (the "Authority") has  
17 heretofore issued its \$47,970,000 Long Beach Bond Finance Authority Lease Revenue  
18 Bonds, 1999 Series A (Rainbow Harbor Refinancing Project), of which \$46,280,000  
19 remains outstanding (the "1999 Bonds"); and

20 WHEREAS, the proceeds of the 1999 Bonds were used to refinance the  
21 costs of the acquisition, construction, installation and equipping of certain  
22 improvements to the Rainbow Harbor area of the City (the "Rainbow Harbor Project");  
23 and

24 WHEREAS, the City, together with the Parking Authority of the City of  
25 Long Beach, has heretofore caused the execution and delivery of the \$5,855,000 1997  
26 Certificates of Participation (Queensway Bay Parking Facility), of which \$4,315,000  
27 remains outstanding (the "1997 Certificates"); and

28 ////

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

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

1           WHEREAS, the proceeds of the 1997 Certificates were used to finance  
2 the costs of a 1,471 space parking facility in the Rainbow Harbor area of the City (the  
3 "Parking Project"); and

4           WHEREAS, the City, working together with the Authority, proposes to  
5 undertake the refinancing of the Rainbow Harbor Project and the Parking Project,  
6 including the refunding of the 1999 Bonds and the 1997 Certificates; and

7           WHEREAS, for such purposes, the Authority has determined to issue its  
8 Long Beach Bond Finance Authority Lease Revenue Refunding Bonds (Rainbow  
9 Harbor Refinancing Project), 2006 Series A, in the aggregate principal amount of not-to-  
10 exceed \$55,000,000 (the "Bonds"); and

11           WHEREAS, the Bonds will be issued under the provisions of Article 4  
12 (commencing with section 6584) of the Act (the "Bond Law") and an indenture of trust  
13 (the "Indenture"), by and between the Authority and U.S. Bank National Association, as  
14 trustee; and

15           WHEREAS, in order to provide for the repayment of the Bonds, the  
16 Authority will lease certain real property and improvements (the "Property") to the City  
17 pursuant to a lease agreement (the "Lease Agreement") under which the City will agree  
18 to make lease payments to the Authority from moneys in its General Fund and the City  
19 will budget and appropriate sufficient amounts in each year to pay the full amount of  
20 principal of and interest on the Bonds; and

21           WHEREAS, as required by section 6586.5(a) of the California  
22 Government Code, a public hearing has been held by this Council in connection with  
23 the financing; and

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

27           WHEREAS, the firm of E. J. De La Rosa & Co., Inc. and Merrill Lynch &  
28 Co. (collectively, the "Underwriters") have proposed to purchase and underwrite the

1 Bonds and have presented to the City a form of Bond Purchase Agreement for the  
2 Bonds, to be entered into among the Authority, the City and the Underwriters (the "Bond  
3 Purchase Agreement"); and

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

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

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

12 Section 1. Findings and Consent. The Council hereby finds that  
13 significant public benefits will arise from the financing, in accordance with section 6586  
14 of the California Government Code.

15 Sec. 2. Approval of Bonds. The Council hereby approves the  
16 issuance of the Bonds by the Authority for the purpose of providing funds to refinance  
17 the Project and to refund the 1999 Bonds.

18 Sec. 3. Approval of Site and Facility Lease. The Council hereby  
19 approves a site and facility lease, by and between the City and the Authority (the "Site  
20 and Facility Lease"), pursuant to which the City will lease the Property to the Authority,  
21 to be leased back to the City pursuant to the Lease Agreement, in substantially the form  
22 on file with the City Clerk, together with any changes therein or additions thereto  
23 deemed advisable by the City Manager, the Director of Financial Management or the  
24 City Treasurer (the "Designated Officers"), whose execution thereof shall be conclusive  
25 evidence of such approval. The Designated Officers, each acting alone, are hereby  
26 authorized and directed for and in the name and on behalf of the City to execute, and  
27 the City Clerk is hereby authorized and directed to attest, the final form of the Site and  
28 Facility Lease for and in the name of the City. The Council hereby authorizes the

1 delivery and performance of the Site and Facility Lease.

2                   Sec. 4.       Approval of Lease Agreement. The Council hereby approves  
3 the Lease Agreement, in substantially the form on file with the City Clerk, together with  
4 any changes therein or additions thereto deemed advisable by any Designated Officer,  
5 whose execution thereof shall be conclusive evidence of the approval of any such  
6 changes or additions, so long as the term of the Lease Agreement (not including  
7 extensions, as permitted therein) does not extend beyond May 1, 2024, and so long as  
8 the issuance of the Bonds provides net present value savings to the City. The  
9 Designated Officers, each acting alone, are hereby authorized and directed for and in  
10 the name and on behalf of the City to execute, and the City Clerk is hereby authorized  
11 and directed to attest, the final form of the Lease Agreement for and in the name of the  
12 City. The Council hereby authorizes the delivery and performance of the Lease  
13 Agreement.

14                   Sec. 5.       Approval of Escrow Agreements.

15                   (a)     The Council hereby approves an escrow deposit and trust  
16 agreement, by and among the Authority, the City and U.S. Bank National Association,  
17 as escrow bank (the "Escrow Bank"), relating to the refunding of the outstanding 1999  
18 Bonds (the "1999 Bonds Escrow Agreement"), in substantially the form on file with the  
19 City Clerk, together with any changes therein or additions thereto deemed advisable by  
20 any Designated Officer, whose execution thereof shall be conclusive evidence of the  
21 approval of any such changes or additions. The Designated Officers, each acting alone,  
22 are hereby authorized and directed for and in the name and on behalf of the City to  
23 execute, and the City Clerk is hereby authorized and directed to attest, the final form of  
24 the 1999 Bonds Escrow Agreement for and in the name of the City. The Council hereby  
25 authorizes the delivery and performance of the 1999 Bonds Escrow Agreement.

26                   (b)     The Council hereby approves an escrow deposit and trust  
27 agreement, by and between the City and U.S. Bank National Association, as escrow  
28 bank (the "Escrow Bank"), relating to the refunding of the outstanding 1997 Certificates

1 (the "1997 Certificates Escrow Agreement"), in substantially the form on file with the  
2 City Clerk, together with any changes therein or additions thereto deemed advisable by  
3 any Designated Officer, whose execution thereof shall be conclusive evidence of the  
4 approval of any such changes or additions. The Designated Officers, each acting alone,  
5 are hereby authorized and directed for and in the name and on behalf of the City to  
6 execute, and the City Clerk is hereby authorized and directed to attest, the final form of  
7 the 1997 Certificates Escrow Agreement for and in the name of the City. The Council  
8 hereby authorizes the delivery and performance of the 1997 Certificates Escrow  
9 Agreement.

10           Sec. 6.       Sale of the Bonds. The Council hereby approves the sale of  
11 the Bonds by the Authority to the Underwriters pursuant to the Bond Purchase  
12 Agreement in substantially the form on file with the Secretary, together with such  
13 additions thereto and changes therein as a Designated Officer shall deem necessary,  
14 desirable or appropriate, the execution of which by the Authority shall be conclusive  
15 evidence of the approval of any such additions and changes. The Designated Officers,  
16 each acting alone, are hereby authorized and directed to execute the final form of the  
17 Bond Purchase Agreement for and in the name and on behalf of the Authority upon the  
18 submission of an offer by the Underwriters to purchase the Bonds, which offer is  
19 acceptable to a Designated Officer and consistent with the requirements of this  
20 Resolution. The Underwriters' compensation for the Bonds shall not exceed \$3.30 per  
21 \$1,000 of principal amount of the Bonds.

22           Sec. 7.       Official Statement. The Council hereby approves, and  
23 hereby deems nearly final within the meaning of Rule 15c2-12 of the Securities  
24 Exchange Act of 1934 (the "Rule"), the preliminary official statement describing the  
25 Bonds (the "Preliminary Official Statement") in substantially the form on file with the City  
26 Clerk. The Designated Officers, each acting alone, are hereby authorized and directed  
27 to execute an appropriate certificate stating the City's determination that the Preliminary  
28 Official Statement is nearly final within the meaning of the Rule. Distribution of the

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

1 Preliminary Official Statement in connection with the sale of the Bonds is hereby  
2 approved. The Designated Officers, each acting alone, are hereby authorized and  
3 directed to approve any changes in or additions to a final form of official statement (the  
4 "Final Official Statement"), and the execution thereof by any Designated Officer shall be  
5 conclusive evidence of approval of any such changes and additions. The Council  
6 hereby authorizes the distribution of the Final Official Statement by the Underwriters.  
7 The Final Official Statement shall be executed in the name and on behalf of the City by  
8 any Designated Officer.

9           Sec. 8.           Official Actions. The City Manager, the Director of Financial  
10 Management, the City Treasurer, the City Clerk and all other officers of the City are  
11 each authorized and directed in the name and on behalf of the City to make any and all  
12 assignments, certificates, requisitions, agreements, notices, consents, instruments of  
13 conveyance, warrants and other documents, which they or any of them might deem  
14 necessary or appropriate in order to consummate any of the transactions contemplated  
15 by the documents approved pursuant to this Resolution. Whenever in this Resolution  
16 any officer of the City is authorized to execute or countersign any document or take any  
17 action, such execution, countersigning or action may be taken on behalf of such officer  
18 by any person designated by such officer to act on his or her behalf in the case such  
19 officer shall be absent or unavailable.

20           Sec. 9.           This resolution shall take effect immediately upon its  
21 adoption by the City Council, and the City Clerk shall certify the vote adopting this  
22 resolution.

23  
24           I hereby certify that the foregoing resolution was adopted by the City  
25 Council of the City of Long Beach at its meeting of \_\_\_\_\_, 2006, by

26 ////  
27 ////  
28 ////

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

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

the following vote:

Ayes: Councilmembers:

---

---

---

---

Noes: Councilmembers:

---

---

Absent: Councilmembers:

---

---

City Clerk

HAM:fl  
3/14/06  
L:\APPS\CtyLaw32\WPDOCS\ID014\IP005\00086748.WPD  
#06-01284

**CITY OF LONG BEACH**

DEPARTMENT OF FINANCIAL MANAGEMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

RECEIVED  
CITY CLERK  
CITY OF LONG BEACH  
99 JUN 10 AM 11:11

June 15, 1999

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**SUBJECT:** Resolution to Refinance the HUD Section 108 Loan with Lease Revenue Bonds for the Rainbow Harbor Project (District 2)

**REVENUE:** Queensway Bay Project Revenues

**COST:** \$25 Million

It is recommended that the City Council adopt the attached Resolution approving the issuance of up to \$50 million in Lease Revenue Bonds in order to refinance a loan from the United States Department of Housing and Urban Development (HUD) as well as establish a required bond payment reserve and fund all related financing costs.

**BACKGROUND**

In August 1995, HUD approved a \$40 million loan to the City. This loan was used for: (1) the dredging and expansion of Rainbow Harbor; (2) the Pine Avenue Pier and floating boat docks; (3) the Esplanade; (4) landscaping; (5) a wetland mitigation area; and (6) utility buildings. The loan consists of two components:

- ◆ \$22.7 million at fixed interest rates, ranging from 6.21% - 6.70% with maturities from 2001 through 2009; and
- ◆ \$17.3 million currently at variable rates, averaging 5.2% with maturities from 2010 through 2012.

Under the existing agreement with HUD, the variable rate component will remain variable until HUD's next public offering. At that time, it would be "fixed" at interest rates significantly above the City's tax-exempt borrowing rate. This potential public offering is not under the City's control. Annual loan payments range from \$311,000 in fiscal year 1997 to \$6.7 million in fiscal year 2011 and \$6.2 million in fiscal year 2012.

**HUD SECTION 108 LOAN**

The HUD Section 108 Loan Guarantee Program allows cities to borrow against their CDBG entitlement funds to finance large-scale community and economic development projects. While Section 108 loans are technically secured by future CDBG grants, the repayment of the City's \$40 million loan was to be derived from revenue generated from



the Queensway Bay Project's cash flow. At the August 1, 1995 City Council meeting, the City Manager reported that the sources of repayment were to include parking revenue, lease revenue, property tax increment, sales taxes and/or the transient occupancy tax generated by the Project. In addition, HUD required that the City identify and provide additional security as a backup pledge to the HUD loan. Therefore, Towne Center General Fund lease/rent revenue was pledged to the HUD loan.

HUD agreed to a loan amortization schedule through 2012 that required the City to initially make interest only payments on the loan, which would enable the construction of the Rainbow Harbor and public esplanade to be completed before the full loan (principal and interest) payments would begin. Further, the City agreed to use "not less than" \$500,000 of CDBG funds annually for five years for the purpose of making payments on the loan. However, as part of the loan agreement, the City also prefunded a portion of the interest only payments with a portion of the proceeds from the \$40 million loan; therefore, use of CDBG funds to make loan payments was deferred to the current fiscal year.

Under the existing financing, the full loan would be repaid by 2012. However, because the HUD loan consists of a series of relatively short-term notes, and because the interest rate is high, the annual loan/debt payments increase rapidly from approximately \$2.4 million during 1999 to nearly \$6.7 million in 2011. These high annual payments cannot be supported by current and projected income from Project revenues. Staff is, therefore, proposing a refinancing of the HUD loan to provide for constant annual payments of approximately \$3.3 million to \$3.8 million (depending on amortization and market conditions).

At the time the City borrowed these funds from HUD, there was no other practical source of funding for the Rainbow Harbor and it was clear that the success of the Aquarium, which was soon to break ground at the time, was partially dependent on the waterfront Rainbow Harbor development. It was the intent of the City to "take out" or replace the HUD loan with traditional financing when that became available. The HUD loan, essentially, provided construction financing and it is typical that construction loans require a high interest rate and short repayment period. Now that the asset is built, traditional financing is available.

In addition, it has been previously reported that the Tidelands Operating and Marina Funds are faced with potential multi-million dollar deficits in the upcoming fiscal years. The HUD loan payment is a Tidelands obligation. Refinancing the HUD loan and structuring the debt to more closely match Queensway Bay cash flows will provide direct relief to the Tidelands and, indirectly, to the General Purpose Fund.

#### PROPOSED FINANCING PLAN

Staff proposes to refinance the HUD loan by issuing tax exempt municipal bonds and to amortize the bonds over a 25- to 30-year period. The new debt will be structured so that bond payments more closely match the annual cash flows of the Project. Because

of the requirement to pay the Aquarium the first \$1.5 million of net annual revenue, there may not be any revenue from the parking garage available to apply against the HUD loan until the Queensway Bay Project is fully built out. The Queensway Bay parking structure is expected to generate a net annual cash flow of \$1.7 million. The Oliver McMillan retail project is expected to generate rent payments of approximately \$1.5 million, sales taxes of approximately \$1.6 million, and tax increment of approximately \$0.8 million upon full build out. You may recall that rent to the City may be deferred if certain developer financial performance thresholds are not achieved.

The following table presents the current HUD loan payment schedule and compares that to the annual debt payments from the proposed new bonds (25-year amortization).

Fiscal Year	Annual HUD Payments	New Annual Bond Payments	Annual Savings (Cost)
99	2,423,879 <sup>(1)</sup>	1,323,270 <sup>(1,2)</sup>	1,100,609
00	2,392,242	1,970,919	421,323
01	2,589,747	2,365,103	224,644
02	2,997,327	2,465,103	532,224
03	3,208,701	2,471,303	737,398
04	4,526,299	2,482,013	2,044,286
05	4,851,340	3,826,950	1,024,390
06	5,297,629	3,830,738	1,466,891
07	5,552,511	3,830,288	1,722,223
08	5,708,386	3,830,470	1,877,916
09	5,968,271	3,830,933	2,137,338
10	6,230,691	3,826,308	2,404,383
11	6,670,478	3,826,445	2,844,033
12	6,243,198	3,830,720	2,412,478
13		3,828,478	(3,828,478)
14		3,825,578	(3,825,578)
15		3,826,678	(3,826,678)
16		3,827,713	(3,827,713)
17		3,827,568	(3,827,568)
18		3,825,985	(3,825,985)
19		3,827,708	(3,827,708)
20		3,827,220	(3,827,220)
21		3,827,780	(3,827,780)
22		3,830,280	(3,830,280)
23		3,829,200	(3,829,200)
24		3,829,280	(3,829,280)
<b>TOTAL</b>	<b>64,660,699</b>	<b>89,644,031</b>	<b>(24,983,332)</b>

(1) Includes \$1.4 million already paid by the City in fiscal year 1999

(2) Net of accrued interest on new bonds

The proposed financing meets the objective of restructuring the debt so that annual debt payments more closely match cash flows of the Project thereby providing fiscal relief for the Tidelands, as well as the General Purpose Fund (the backup pledge to the HUD loan). Because of the extended amortization, the City will incur greater interest costs over the term of the bonds. The benefits of the proposed refinancing are that, through the year 2012, the term of the current HUD loan, City debt payments will be reduced annually by \$1.1 million for fiscal year 1999, and up to \$2.8 million in fiscal year 2011. Savings will drop to \$2.4 million in FY 2012.

The total or absolute cost of the proposed financing is approximately \$25 million in additional interest cost over the life of the bonds. To the extent revenues prove to be stronger than currently anticipated, the City would have the flexibility of paying the bond debt off sooner, and/or refinancing the bonds to take advantage of lower interest rates, if that situation should present itself.

The General Fund (Towne Center revenue) is already backing the existing HUD loan; staff is, therefore, recommending that the General Fund also continue to back the new bonds. Beyond that, it is clear that while the costs of the Queensway Bay are being borne by the Tidelands Funds (with the exception of developer costs), the tax benefits, as well as the market benefits, are accruing to the City as a whole, and therefore the General Fund.

The mechanism for achieving this proposed financing is lease revenue bonds issued by the Long Beach Bond Finance Authority, which was established several years ago to facilitate bond financing. The City will lease the site and facilities to the Authority; in turn, the Authority will sublease the property to the City. The Authority will issue the bonds and use the City's lease payments to make the bond payments. Although the source of lease payments is normally the General Fund, in practice, revenues from the Queensway Bay will be used to make up all or part of the annual lease, or bond, payment. Until the Queensway Bay is fully operational and revenues are being generated at full capacity, Towne Center revenues may be required to make up any shortfall between Project revenues and bond payments.

Although the HUD loan amount is \$40 million, the proposed refinancing will require that a bond debt payment reserve of approximately \$4 million be established. Other related costs such as escrow deposit costs and underwriter, legal counsel and bond insurance fees will bring the total amount financed to approximately \$47 million. Authority is requested to issue up to \$50 million to provide flexibility should bond market rates increase.

Please note that interest earnings on the bond payment reserve will be available to apply against annual bond payments, thereby reducing the actual budget requirements by approximately \$200,000. The bond reserve will also be available to make the last bond payment in 2024.

## CONCLUSION

The Queensway Bay (retail, harbor, aquarium) is critical to the ongoing success of the City. It represents a major investment in the City's future. The Aquarium component is already a huge success, bringing 1.8 million visitors to the City's downtown shoreline. The investment the City has made in the Rainbow Harbor no doubt has been a significant factor in the success of the Aquarium, and that success has spilled over to Shoreline Village, the Convention Center, Pine Avenue, the Queen Mary and downtown hotels.

It is clear, however, that neither Project nor Tidelands revenues are sufficient to meet the existing HUD debt; the shortfall is significant, particularly in later years. A refinancing of the loan with new debt, as originally contemplated is, therefore, proposed. However, bonds cannot be issued secured only by revenues in the Tidelands Fund at this time; investors will require a secure source of revenue for bond repayment. The immediate alternative is for the bonds to be issued with the backing of the General Fund. This proposal follows the direction established by the City Council when it approved the pledge of General Fund revenues for the HUD loan to develop the downtown waterfront.

The bonds may be refinanced in the future should interest rates decline and/or should Project revenues be sufficient to enable the City to refinance the bonds and eliminate the General Fund pledge. An alternative, of course, is to leave the HUD loan in place. However, the shortfall between Project revenues and the existing HUD loan payments could prove unmanageable within the Tidelands Operating Fund, thereby requiring a significantly greater subsidy from Towne Center General Fund revenues.

It is also crucial that the bond proceeds be available prior to the next HUD loan payment date of August 1, 1999. The proposed financing includes the August HUD payment as part of the bond issue thereby relieving the Tidelands budget of the obligation for that \$1 million payment for the current fiscal year.

Moreover, refinancing the loan releases, subject to annual appropriations, \$1.5 million of CDBG funds that had been obligated to the loan repayment. This allows the City Council to reallocate these funds. Staff suggest that consideration be given to reallocating these funds to the Empowerment Zone process and projects.

Finally, an added benefit of this refinancing is that defeasance of the HUD loan reestablishes the City's ability to borrow against its CDBG entitlement.

This matter was reviewed by Assistant City Attorney Heather A. Mahood. This proposal was also presented to the Debt Advisory Committee on June 2, 1999. The Debt Advisory Committee is composed of the Assistant City Manager, Director of Financial Management, City Treasurer, City Controller, Assistant City Attorney, City Auditor, Assistant City Auditor, Director of Community Development, and Harbor Department Director of Finance.

June 15, 1999

Page 6

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Adopt the attached Resolution approving the issuance of up to \$50 million in Lease Revenue Bonds in order to refinance a loan from the United States Department of Housing and Urban Development (HUD) as well as establish a required payment reserve and fund all related financing costs.

Respectfully submitted,



ROBERT S. TORREZ  
DIRECTOR OF FINANCIAL MANAGEMENT



SUSAN F. SHICK  
DIRECTOR OF COMMUNITY DEVELOPMENT

APPROVED:



HENRY TABOADA  
CITY MANAGER

RST:le  
HUD Loan

Attachments:

- August 1, 1995 Council Letter
- Graph of Project Pledges
- Resolution



# CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

August 1, 1995

HONORABLE MAYOR AND CITY COUNCIL  
 City of Long Beach  
 California

SUBJECT: Authorization to Apply to the U. S. Department of Housing  
 and Urban Development for Section 108 Loan Guarantee  
Program Funds (District 2)  
 REVENUE: \$40 Million in Community Development Block Grant Funds

It is recommended that the City Council authorize the City Manager to submit and amend as necessary an application to the U.S. Department of Housing and Urban Development (HUD) for \$40 million in Section 108 Loan Guarantee Program funds and to execute and amend as necessary all loan agreements, certifications and other documents related to the receipt of Section 108 Loan Guarantee Program funds.

BACKGROUND

HUD administers a program of community development loan guarantee assistance authorized by Section 108 of the Housing and Community Development Act. The program provides Community Development Block Grant (CDBG) recipients with loans for financing large-scale community and economic development activities. Projects financed under the Section 108 Loan Guarantee Program must either principally benefit low- and moderate-income persons, aid in the prevention or elimination of blight or meet other urgent community and economic development needs.

On December 6, 1994, City Council authorized the City Manager to apply to HUD for a \$6 million Economic Development Initiative (EDI) grant in support of the Queensway Bay project. The EDI grant was sought in order to leverage a planned \$35 million Section 108 loan that would enable the City to construct the Downtown Harbor and attendant public esplanade.

Subsequent to the submission of the EDI grant the City was informed that the grant request, though well conceived, had not been selected for funding. However, HUD officials expressed considerable interest in the Queensway Bay project, which culminated in HUD Secretary Cisneros' visit to Long Beach on July 15, 1995. At that time and in numerous conversations with senior HUD officials since, HUD has worked to identify an approach to assisting Long Beach with a Section 108 loan even in the absence of accompanying HUD grant funds. Most recently HUD has encouraged the City to apply for the current \$40 million Section 108 loan and assured the City that HUD will expedite the review of the application.

HONORABLE MAYOR AND CITY COUNCIL  
August 1, 1995  
Page 2

As noted above, the Section 108 Loan Guarantee Program allows cities to borrow against their CDBG entitlement funds. While Section 108 loans are technically secured by future CDBG grants, the repayment of the proposed \$40 million loan will be derived from revenue generated from the Queensway Bay project's cash flow and may include such sources as parking revenue, lease revenue, tax increment, sales tax and/or bed tax. HUD has preliminarily agreed to a loan amortization schedule that requires the City to make interest payments only on the Section 108 loan for the first five years, which would enable the construction of the Downtown Harbor and public esplanade to be completed before full loan payments would begin.

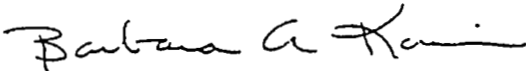
A key to HUD's interest in the Queensway Bay development plan has been the project's substantial job creation potential, including an estimated 2,291 construction jobs and 3,151 permanent new jobs. As the ultimate goal of the Section 108 Loan Guarantee Program is to create jobs for low- and moderate-income persons, the proposed Section 108 loan could be an excellent catalyst to spur job creation at a time when many area jobs have been lost due to federal defense downsizing and military base closures in Long Beach and surrounding communities.

This request has been reviewed by Principal Deputy City Attorney Heather Mahood.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

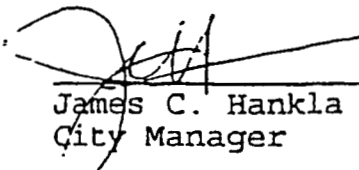
Authorize the City Manager to submit and amend as necessary an application to the U.S. Department of Housing and Urban Development for \$40 million in Section 108 Loan Guarantee Program funds and to execute and amend as necessary all loan agreements, certifications and other documents related to the receipt of Section 108 Loan Guarantee Program funds.

Respectfully submitted,



for Susan F. Shick  
Director of Community Development

APPROVED:



James C. Hankla  
City Manager

SFS:GRM:ns

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

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

RESOLUTION NO. C-

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF LONG BEACH APPROVING PROCEEDINGS TO  
REFINANCE THE COSTS OF CERTAIN CAPITAL  
IMPROVEMENTS OF THE CITY, APPROVING ISSUANCE  
OF LEASE REVENUE BONDS BY THE LONG BEACH  
BOND FINANCE AUTHORITY FOR SUCH PURPOSE, AND  
APPROVING RELATED DOCUMENTS AND OFFICIAL  
ACTIONS

WHEREAS, the City and the Redevelopment Agency of the City of Long  
Beach, California have heretofore entered into a Joint Exercise of Powers Agreement  
establishing the Long Beach Bond Finance Authority (the "Authority") for the purpose,  
among others, of issuing its bonds to be used to provide financial assistance to the City;  
and

WHEREAS, the City has heretofore, pursuant to Section 108 of Title I of  
the Housing and Community Development Act of 1974, as amended, and 24 CFR Part  
570, Subpart M, and based upon a loan guarantee from the United States Department  
of Housing and Urban Development, borrowed the total sum of \$40,000,000 (Loan  
Number B-95-MC-06-0522) (the "Loan") to finance the acquisition, construction,  
installation and equipping of certain improvements to the Rainbow Harbor in the  
Queensway Bay project area (the "Project"), the total amount of which remains  
outstanding on the date hereof; and

WHEREAS, the Loan matures serially on August 1 in the years 2001  
through 2012; and

WHEREAS, the interest payable with respect to the Loan maturing on  
August 1 in the years 2001 through 2009 (in the total amount of \$22,710,000) is



1 payable at fixed interest rates, and the interest payable with respect to the Loan  
2 maturing on August 1 in the years 2010 through 2012 (in the total amount of  
3 \$17,290,000) is payable at variable interest rates, set monthly; and

4 WHEREAS, the City has determined to refinance the Project and, in  
5 connection therewith, to defease the portion of the Loan maturing on August 1 in the  
6 years 2001 through 2009, and to prepay the portion of the Loan maturing on August 1  
7 in the years 2010 through 2012; and

8 WHEREAS, for the purpose of providing moneys for such purposes, the  
9 City will lease certain real property (the "Site") and certain improvements thereon (the  
10 "Facility") to the Authority pursuant to a site and facility lease (the "Site and Facility  
11 Lease"); and

12 WHEREAS, the Authority has determined to issue its Long Beach Bond  
13 Finance Authority Lease Revenue Bonds, 1999 Series A (Rainbow Harbor Refinancing  
14 Project) in the aggregate principal amount of not to exceed \$50,000,000 (the "Bonds"),  
15 all pursuant to and secured by an Indenture of Trust (the "Indenture") by and between  
16 the Authority and U.S. Bank Trust National Association, as trustee (the "Trustee"); and

17 WHEREAS, in order to provide for the repayment of the Bonds, the  
18 Authority will lease the Site and the Facility to the City pursuant to a lease agreement  
19 (the "Lease Agreement") under which the City will agree to make lease payments to the  
20 Authority (the "Lease Payments") which will be calculated to be sufficient to enable the  
21 Authority to pay the principal of and interest and premium (if any) on the Bonds when  
22 due and payable; and

23 WHEREAS, the Bonds will be issued under the provisions of the Marks-  
24 Roos Local Bond Pooling Act of 1985, constituting Article 4 (commencing with Section  
25 6584) of Chapter 5, Division 7, Title 1 of the California Government Code the ("Act")  
26 and the Indenture; and

27 WHEREAS, the firm of Sutro & Co. Incorporated (the "Underwriter") has  
28 proposed to purchase and underwrite the Bonds and has presented to the Authority a

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

1 form of Bond Purchase Agreement for the Bonds, to be entered into among the  
2 Authority, the City and the Underwriter (the "Bond Purchase Agreement") and has  
3 presented the Authority with a proposed form of official statement (the "Official  
4 Statement") describing the Bonds, to be used in connection with the marketing of the  
5 Bonds by the Underwriter; and

6 WHEREAS, this City Council approves all of said transactions in  
7 furtherance of the public purposes of the City, and wishes at this time to take its action  
8 approving the issuance and sale of the Bonds and the lease financing to be  
9 accomplished thereby;

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

12 Section 1. Approval of Bonds. The Council hereby approves the  
13 issuance of the Bonds by the Authority for the purpose of providing funds to enable the  
14 City to defease the portion of the Loan maturing on August 1 in the years 2001 through  
15 2009, and to repay the portion of the Loan maturing on August 1 in the years 2010  
16 through 2012. Pursuant to the Act, the City Council hereby finds and determines that  
17 the issuance of the Bonds will result in savings in effective interest rates, bond  
18 underwriting costs and bond issuance costs and thereby result in significant public  
19 benefits to its members within the contemplation of Section 6586 of the Act.

20 Sec. 2. Approval of Related Financing Documents. The City Council  
21 hereby approves each of the following agreements required to implement the financing  
22 plan to be accomplished by the Bonds, in substantially the respective forms on file with  
23 the City Clerk together with such additions thereto and changes therein as the Mayor,  
24 the City Manager, the City Treasurer, the City Controller or the Director of Financial  
25 Management (the "Designated Officers") shall deem necessary, desirable or  
26 appropriate, the execution of which by the City shall be conclusive evidence of the  
27 approval of any such additions and changes:

28 (a) a Site and Facility Lease, by and between the City, as

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

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

lessor, and the Authority, as lessee, relating to the lease of the Site and the Facility to the Authority;

(b) a Lease Agreement, by and between the Authority, as lessor, and the City, as lessee, relating to the lease of the Site and the Facility by the Authority to the City, so long as the total principal amount of the Lease Agreement does not exceed \$50,000,000, so long as the net annual lease payments to be paid by the City under the Lease Agreement does not exceed \$4,250,000, and so long as the term of the Lease Agreement does not exceed 25 years (and up to 35 years in the event of abatement); and

(c) a Continuing Disclosure Agreement, by and between the City and Electronic Municipal Statistics, as dissemination agent.

The Designated Officers, each acting alone, are hereby authorized and directed to execute, and the City Clerk is hereby authorized and directed to attest and affix the seal of the City to, the final form of such agreements for and in the name and on behalf of the City. The City hereby authorizes the delivery and performance of such agreements.

Sec. 3. Sale of Bonds. The City Council hereby approves the sale of the Bonds by the Authority by negotiation with the Underwriter, pursuant to the Bond Purchase Agreement in substantially the form on file with the City Clerk, together with such additions thereto and changes therein as a Designated Officer shall deem necessary, desirable or appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute the final form of the Bond Purchase Agreement for and in the name and on behalf of the City upon the submission of an offer by the Underwriter to purchase the Bonds, which offer is acceptable to a Designated Officer and consistent with the requirements of this resolution. The amount of Underwriter's discount for the Bonds shall be not

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

1 more than one percent of the par amount thereof (not taking into account any original  
2 issue discount on the sale thereof).

3           Sec. 4.       Official Statement. The City hereby approves the  
4 preliminary Official Statement in substantially the form on file with the City Clerk,  
5 together with such additions thereto and changes therein as a Designated Officer shall  
6 deem necessary, desirable or appropriate. The Designated Officers, each acting alone,  
7 are hereby authorized and directed to deem final within the meaning of Rule 15c2-12 of  
8 the Securities Exchange Act of 1934 except for permitted omissions, the preliminary  
9 form of the Official Statement describing the Bonds. Distribution of such preliminary  
10 Official Statement by the Underwriter is hereby approved. The Designated Officers,  
11 each acting alone, are hereby authorized to execute the final form of the Official  
12 Statement, including as it may be modified by such additions thereto and changes  
13 therein as a Designated Officer shall deem necessary, desirable or appropriate, and the  
14 execution of the final Official Statement by the City shall be conclusive evidence of the  
15 approval of any such additions and changes. The City hereby authorizes the  
16 distribution of the final Official Statement by the Underwriter. The final Official  
17 Statement shall be executed in the name and on behalf of the City by a Designated  
18 Officer.

19           Sec. 5.       Official Actions. The City Manager or his designee, the  
20 Treasurer, and the City Clerk and any and all other officers of the City are hereby  
21 authorized and directed, for and in the name and on behalf of the City, to do any and all  
22 things and take any and all actions, including execution and delivery of any and all  
23 assignments, certificates, requisitions, agreements, notices, consents, instruments of  
24 conveyance, warrants and other documents, which they, or any of them, may deem  
25 necessary or advisable in order to consummate the lawful issuance and sale of the  
26 Bonds and the consummation of the transactions as described herein.

27           Sec. 6.       Services. Inasmuch as the City shall require the services of  
28 certain professionals in connection with the issuance and sale of the Bonds, the City

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

1 hereby appoints the firm of Quint and Thimmig LLP, as Bond Counsel, and Public  
2 Financial Management Inc., as Financial Advisor, on such terms as shall be favorable  
3 to the City and approved by the City Treasurer and City Attorney, respectively.

4               Sec. 7.       This resolution shall take effect immediately upon its  
5 adoption by the City Council, and the City Clerk shall certify the vote adopting this  
6 resolution.

7               I hereby certify that the foregoing resolution was adopted by the City  
8 Council of the City of Long Beach at its meeting of \_\_\_\_\_, 1999, by  
9 the following vote:

10           Ayes:           Councilmembers: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

14           Noes:           Councilmembers: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

16           Absent:       Councilmembers: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

City Clerk

26  
27 HAM:fl  
6/8/99  
F:\APPS\CtyLaw32\WPDOCS\0003\P001\00004278.WPD  
28 #99-02696



# CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

RECEIVED  
 CITY CLERK  
 LONG BEACH, CALIF.

97 APR 17 AM 9:35

April 22, 1997

HONORABLE MAYOR AND CITY COUNCIL  
 City of Long Beach  
 California

SUBJECT: 1997 Certificates of Participation  
(Queensway Bay Parking Facilities)  
 Cost: Maximum \$700,000 Annual (Parking Revenues)

It is recommended that the City Council adopt a resolution to authorize a lease transaction with the Long Beach Parking Authority ("Authority") and approve, authorize and direct execution of certain documents pertaining to the financing of the Queensway Bay Parking Facility.

## BACKGROUND

In 1995, the City, in conjunction with the Aquarium of the Pacific, participated in a bond issue to finance the construction of the Aquarium. The lease agreement between the City and the Aquarium provides that the City, at its option, may provide a parking structure in lieu of a surface parking lot for the use of the Aquarium. During 1996, analysis of the Queensway Bay project determined that a 1500-vehicle parking structure would be required to meet the needs of the project and the Aquarium. A parking requirements study and a parking revenue feasibility study have been conducted to validate this transaction. Design of the proposed facility has been completed, bids received and a construction contract in the amount of \$10,860,842 has been awarded. The City Council authorized the latter action at its meeting on April 8, 1997.

During 1996, staff was successful in obtaining federal aid for this project. The City received a \$6 million Economic Development (EDA) Grant from the U.S. Department of Commerce. In addition, a \$300,000 Defense Adjustment Grant was received from the California Trade and Commerce Agency in connection with base closure activities. Further, the Aquarium provided \$1.5 million of bond funds towards the cost of the parking facility. In view of these substantial cash contributions, the financing needed to complete the \$10.8 million project has been reduced to approximately \$6 million. This will include the costs of issuance, reserve funds, capitalized interest during construction, and construction contingencies.

HONORABLE MAYOR AND CITY COUNCIL

April 22, 1997

Page 2

Bond counsel and the City's underwriters have recommended that the financing be structured as a certificate of participation lease transaction. The documents being approved in the resolution include the site and facility lease, as well as certain financing documents.

Bond ratings have been applied for and staff expects to receive investment grade ratings from two rating agencies. Additionally, bond insurance application has been made to several insurers. Bond insurance can, under certain circumstances, reduce the interest rate and corresponding debt service on the bonds issued. It is anticipated that the certificates of participation will be sold on Wednesday, April 30, and proceeds received at closing on May 8, 1997.

This matter has been reviewed by Principal Deputy City Attorney Heather Mahood.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Adopt a resolution to authorize a lease transaction with the Long Beach Parking Authority ("Authority") and approve, authorize and direct execution of certain documents pertaining to the financing of the Queensway Bay Parking Facility.

Respectfully submitted,



Robert S. Torrez  
Director of Financial Management

RST:RGH:pb  
Attachments

APPROVED:

  
\_\_\_\_\_  
JAMES C. HANKLA  
CITY MANAGER

1 RESOLUTION NO. C-26161

2  
3 A RESOLUTION OF THE CITY COUNCIL OF THE  
4 CITY OF LONG BEACH APPROVING, AUTHORIZING AND  
5 DIRECTING EXECUTION OF CERTAIN LEASE FINANCING  
6 DOCUMENTS, APPROVING THE FORM AND AUTHORIZING  
7 DISTRIBUTION OF A PRELIMINARY OFFICIAL  
8 STATEMENT IN CONNECTION WITH THE OFFERING AND  
9 SALE OF CERTIFICATES OF PARTICIPATION RELATING  
10 THERETO AND AUTHORIZING AND DIRECTING CERTAIN  
11 ACTIONS WITH RESPECT THERETO

12  
13 WHEREAS, the City of Long Beach (the "City"), working  
14 together with the Parking Authority of the City of Long Beach (the  
15 "Authority"), is proposing to proceed with a lease financing;

16 WHEREAS, in connection therewith, the City proposes to  
17 finance a portion of the cost of the acquisition, construction,  
18 installation and equipping of a new public parking facility to be  
19 part of the Downtown Harbor component of the Queensway Bay project,  
20 and it is in the public interest and for the public benefit that the  
21 City authorize and direct execution of a lease agreement and certain  
22 other financing documents in connection therewith;

23 WHEREAS, Jones Hall Hill & White, A Professional Law  
24 Corporation, acting as disclosure counsel to the City, has prepared  
25 a preliminary official statement (the "Preliminary Official  
26 Statement") containing information material to the offering, as well  
27 as a certificate purchase agreement in connection with the sale of  
28 the Certificates (hereinafter defined) to E. J. De La Rosa & Co.,

John R. Calhoun  
City Attorney of Long Beach  
333 West Ocean Boulevard  
Long Beach, California 90802-4664  
(310) 570-2200



John R. Calhoun  
City Attorney of Long Beach  
333 West Ocean Boulevard  
Long Beach, California 90802-4664  
(310) 570-2200

1 Inc. (the "Underwriter"); and

2 WHEREAS, the documents listed below have been filed with  
3 the City Clerk and the Members of the City Council, with the aid of  
4 City staff, have reviewed said documents.

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

7 Section 1. Certificates of Participation (Queensway Bay  
8 Parking Facility) (the "Certificates") are hereby authorized to be  
9 executed and delivered pursuant to the provisions of the Trust  
10 Agreement (hereinafter defined).

11 Sec. 2. The below-enumerated documents, in the respective  
12 forms on file with the City Clerk, are hereby approved, and the City  
13 Manager or his designee is hereby authorized and directed to execute  
14 said documents in such forms together with such changes, insertions  
15 and omissions as may be approved by the official executing such  
16 documents, and the City Clerk is hereby authorized and directed to  
17 attest to such official's signature where indicated by the  
18 respective document:

19 (a) a site and facility lease, by and between the  
20 City, as lessor, and the Authority, as lessee;

21 (b) a lease agreement, by and between the Authority,  
22 as lessor, and the City, as lessee (the "Lease Agreement") together  
23 with a memorandum thereof, so long as the principal amount of the  
24 Lease Agreement does not exceed \$7,000,000, so long as the term of  
25 the Lease Agreement does not exceed thirty (30) years, and so long  
26 as the maximum annual lease payments payable by the City under the  
27 Lease Agreement (the "Lease Payments") does not exceed \$700,000;

28 (c) a trust agreement, by and among the Authority,

John R. Calhoun  
City Attorney of Long Beach  
333 West Ocean Boulevard  
Long Beach, California 90802-4664  
(310) 570-2200

1 the City and a trustee to be selected by the Director of Financial  
2 Management (the "Trust Agreement"), relating to the financing, and  
3 the execution and delivery of the Certificates, representing direct,  
4 undivided fractional interests in the Lease Payments;

5 (d) a purchase contract, by and among the City, the  
6 Authority and the Underwriter; and

7 (e) a continuing disclosure certificate of the City,  
8 for the benefit of the owners of the Certificates.

9 Sec. 3. The City Council hereby approves the Preliminary  
10 Official Statement describing the financing, in the form on file  
11 with the City Clerk, together with any changes therein or additions  
12 thereto deemed advisable by the City Treasurer. The Council  
13 authorizes and directs the City Manager or his designee, on behalf  
14 of the City, to deem "final" pursuant to Rule 15c2-12 under the  
15 Securities Exchange Act of 1934 (the "Rule") the Preliminary  
16 Official Statement prior to its distribution to prospective  
17 purchasers of the Certificates.

18 The City Treasurer is authorized and directed to cause the  
19 Preliminary Official Statement to be brought into the form of a  
20 final official statement (the "Final Official Statement") and the  
21 City Manager or his designee is hereby authorized and directed to  
22 execute the Final Official Statement, dated as of the date of the  
23 sale of the Certificates, and a statement that the facts contained  
24 in the Final Official Statement, and any supplement or amendment  
25 thereto (which shall be deemed an original part thereof for the  
26 purpose of such statement) were, at the time of sale of the  
27 Certificates, true and correct in all material respects and that the  
28 Final Official Statement did not, on the date of sale of the

John R. Calhoun  
City Attorney of Long Beach  
333 West Ocean Boulevard  
Long Beach, California 90802-4664  
(310) 570-2200

1 Certificates, and does not, as of the date of delivery of the  
2 Certificates, contain any untrue statement of a material fact or  
3 omit to state material facts required to be stated where necessary  
4 to make any statement made therein not misleading in light of the  
5 circumstances under which it was made. The City Manager or his  
6 designee shall take such further actions prior to the signing of the  
7 Final Official Statement as are deemed necessary or appropriate to  
8 verify the accuracy thereof. The execution of the Final Official  
9 Statement, which shall include such changes and additions thereto  
10 deemed advisable by the City Treasurer, and such information  
11 permitted to be excluded from the Preliminary Official Statement  
12 pursuant to the Rule, shall be conclusive evidence of the approval  
13 of the Final Official Statement by the City.

14           The Final Official Statement, when prepared, is approved  
15 for distribution in connection with the offering and sale of the  
16 Certificates.

17           Sec. 4. The City Council hereby authorizes and directs  
18 the Director of Financial Management to select the initial Trustee  
19 under the Trust Agreement and the Lease Agreement, and under the  
20 Assignment Agreement (as defined in the Trust Agreement).

21           Sec. 5. The law firm of Jones Hall Hill & White, A  
22 Professional Law Corporation is hereby designated as disclosure  
23 counsel, and the law firm of Quint & Thimmig LLP is hereby  
24 designated as special counsel, to the City in connection with the  
25 Lease Agreement and the Certificates. The City Attorney is hereby  
26 authorized and directed to execute agreements with said firms for  
27 their services in connection with the Lease Agreement and the  
28 Certificates, in form and substance acceptable to the City Attorney.

John R. Calhoun  
City Attorney of Long Beach  
333 West Ocean Boulevard  
Long Beach, California 90802-4664  
(310) 570-2200

1           Sec. 6. The Mayor, the City Manager, the City Treasurer,  
2 the City Attorney, the City Clerk and all other appropriate  
3 officials of the City are hereby authorized and directed to execute  
4 such other agreements, documents and certificates as may be  
5 necessary to effect the purposes of this resolution and the  
6 financing herein authorized.

7           Sec. 7. This resolution shall take effect immediately  
8 upon its adoption by the City Council, and the City Clerk shall  
9 certify to the vote adopting this resolution.

10           I hereby certify that the foregoing resolution was adopted  
11 by the City Council of the City of Long Beach at its meeting of  
12 April 22, 1997, by the following vote:

13	Ayes:	Councilmembers:	<u>Drummond, Roosevelt, Robbins,</u>
14			<u>Donelon, Kellogg, Shultz,</u>
15			<u>Topsy-Elvord.</u>
16	Noes:	Councilmembers:	<u>None.</u>
17			<u>  </u>
18	Absent:	Councilmembers:	<u>Oropeza, Lowenthal.</u>
19			<u>  </u>

20  
21 *Shelby Perwell*  
22 City Clerk

23  
24  
25  
26  
27 PJT:HAM:vmh  
28 4/18/97  
c:\wp51\docs\cc-reso\QueenBay.fin