

RESOLUTION NO. RES-23-0066

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3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH APPROVING PROCEEDINGS BY
5 THE FINANCE AUTHORITY OF LONG BEACH FOR THE
6 ISSUANCE AND SALE OF ITS FINANCE AUTHORITY OF
7 LONG BEACH LEASE REVENUE BONDS, SERIES 2023,
8 TO FINANCE VARIOUS CAPITAL PROJECTS,
9 APPROVING THE FORM AND AUTHORIZING
10 EXECUTION OF RELATED DOCUMENTS AND
11 APPROVING RELATED OFFICIAL ACTIONS

12
13 WHEREAS, the City of Long Beach (the “City”) proposes to finance (a) the
14 acquisition and improvement of a building at 125 Elm Avenue in Long Beach to (i)
15 provide a permanent location for the City’s Police Department Crime Lab and
16 administrative offices for the City’s Energy Resources and Parks, Recreation and Marine
17 departments and other administrative uses, and (ii) provide a new senior center (the “Elm
18 Avenue Building”), and (b) various infrastructure projects throughout the geographic
19 boundaries of the City (collectively, the “Project”); and

20 WHEREAS, it is proposed that the Project will be financed from the
21 proceeds of Finance Authority of Long Beach Lease Revenue Bonds, Series 2023 (the
22 “Bonds”), to be issued by the Authority under the provisions of Article 4 (commencing
23 with section 6584) of the JPA Act (the “Bond Law”), and pursuant to the terms of an
24 indenture of trust, by and between the Authority and U.S. Bank Trust Company, National
25 Association, as trustee; and

26 WHEREAS, in order to provide for the repayment of the Bonds, the City will
27 lease the Elm Avenue Building and other City-owned property and the sites thereof
28 (collectively, the “Property”) to the Authority pursuant to a site and facility lease (the “Site

1 and Facility Lease”) and the Authority will lease the Property back to the City pursuant to
2 a lease agreement (the “Lease Agreement”) under which the City will agree to make
3 lease payments to the Authority from moneys in the City’s General Fund and the City will
4 budget and appropriate sufficient amounts in each year to pay the lease payments which
5 will be equal to the scheduled principal of and interest on the Bonds; and

6 WHEREAS, the proposed form of a preliminary official statement (the
7 “Preliminary Official Statement”) describing the Bonds, to be used in connection with the
8 marketing of the Bonds, has been prepared and has been presented to the Authority; and

9 WHEREAS, RBC Capital Markets, LLC and Cabrera Capital Markets, LLC
10 (collectively, the “Underwriters”), have proposed to purchase and underwrite the Bonds
11 and has presented to the Authority and the City a form of bond purchase agreement for
12 the Bonds, to be entered into among the Authority, the City and the Underwriters (the
13 “Bond Purchase Agreement”); and

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

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

19 WHEREAS, pursuant to section 5852.1 of the Government Code, which
20 became effective on January 1, 2018, by the enactment of Senate Bill 450, certain
21 information relating to the Bonds is set forth in Exhibit A attached to this Resolution, and
22 such information is hereby disclosed and made public;

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

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

27 Section 2. Findings. The City Council hereby finds that significant public
28 benefits will arise from the financing contemplated by the Bonds and the documents

1 related thereto, in accordance with section 6586 of the California Government Code.

2 Section 3. Approval of Bonds. The City Council hereby approves the
3 issuance of the Bonds by the Authority for the purpose of providing funds to finance the
4 Project, to fund capitalized interest with respect to a portion of the Bonds and to pay the
5 costs of issuance of the Bonds.

6 Section 4. Approval of Site and Facility Lease. The City Council hereby
7 approves the Site and Facility Lease, in the form on file with the City Clerk, together with
8 any changes therein or additions thereto deemed advisable by the City Manager, the
9 Director of Financial Management or the City Treasurer (each, a “Designated Officer”),
10 and the execution of the Site and Facility Lease by a Designated Officer shall be
11 conclusive evidence of such approval. The Designated Officers, each acting alone, are
12 hereby authorized and directed for and in the name and on behalf of the City to execute
13 the final form of the Site and Facility Lease for and in the name of the City. The City
14 Council hereby authorizes the delivery and performance of the Site and Facility Lease.

15 Section 5. Approval of Lease Agreement. The City Council hereby
16 approves the Lease Agreement, in the form on file with the City Clerk, together with any
17 changes therein or additions thereto deemed advisable by any of the Designated
18 Officers, and the execution of the Lease Agreement by a Designated Officer shall be
19 conclusive evidence of the approval of any such changes or additions. The Designated
20 Officers, each acting alone, are hereby authorized and directed for and in the name and
21 on behalf of the City to execute the final form of the Lease Agreement for and in the
22 name of the City. The City Council hereby authorizes the delivery and performance of the
23 Lease Agreement.

24 Section 6. Sale of Bonds. The City Council hereby approves the sale of
25 the Bonds by the Authority by negotiation with the Underwriters pursuant to the Bond
26 Purchase Agreement, in the form on file with the City Clerk, together with such additions
27 thereto and changes therein as any of the Designated Officers shall deem necessary,
28 desirable or appropriate, and the execution of which by a Designated Officer shall be

1 conclusive evidence of the approval of such additions and changes. The Designated
2 Officers, each acting alone, are hereby authorized and directed for and in the name and
3 on behalf of the City to execute the final form of the Bond Purchase Agreement for and in
4 the name of the City; provided that (a) the amount of Underwriters' discount for the Bonds
5 shall be not more than 0.50% of the par amount thereof, (b) the principal amount of the
6 Bonds is not greater than \$90,000,000, (c) the true interest cost of the Bonds does not
7 exceed 6.00% and (d) the term of the Bonds does not extend beyond August 1, 2055.

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

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

OFFICE OF THE CITY ATTORNEY
DAWN MCINTOSH, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

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

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

9 I hereby certify that the foregoing resolution was adopted by the City
10 Council of the City of Long Beach at its meeting of May 2, 2023
11 by the following vote:

12
13 Ayes: Councilmembers: Zendejas, Allen, Duggan, Supernaw, Kerr,
14 Saro, Austin, Ricks-Oddie.
15 _____
16 _____
17 Noes: Councilmembers: None.
18 _____
19 Absent: Councilmembers: Uranga.
20 _____
21 Recusal(s): Councilmembers: None.
22 _____

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26 City Clerk
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EXHIBIT A

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

The following information consists of estimates that have been provided by the City's Municipal Advisor and underwriter which has been represented to have been provided in good faith:

(A) <u>True Interest Cost of the Bonds:</u>	4.20%
(B) <u>Finance Charges:</u>	\$693,600
(C) <u>Net Proceeds to be Received:</u> (net of finance charges)	\$83,811,200
(D) <u>Total Payment Amount through Maturity:</u>	\$152,637,000

The foregoing estimates constitute good faith estimates only.

The principal amount of the Bonds, the true interest cost of the Bonds, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the City's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the City based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates with respect to the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the City.