

December 7, 2021

**C-22**

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach  
California

**RECOMMENDATION:**

Receive and file annual reports on Community Facilities District No. 2007-1 – Douglas Park commercial Area (CFD No. 2007-1); Community Facilities District No. 2007-2 – Belmont Shore (CFD No. 2007-2); Community Facilities District No. 5 – Long Beach Towne Center (CFD No. 5); Community Facilities District No. 6 – Pike Public Improvements (CFD No. 6); and, Community Facilities District No. 2011-1 Douglas Park – North of Cover Street Area (CFD No. 2011-1), to comply with the Local Agency Special Tax Bond and Accountability Act. (Districts 2, 3, 5)

**DISCUSSION**

The Local Agency Special Tax and Bond Accountability Act (Act) was enacted by the California State Legislature through Senate Bill 165 to provide accountability measures for any local special tax and/or bond measure subject to voter approval on or after January 1, 2001. The Act requires annual reporting to the City Council on Community Facilities District (CFD) project funds for Special Tax bonds issued after January 1, 2001. The Act also requires that the annual report contain a statement indicating the specific purposes of the Special Tax, a requirement that the proceeds of the Special Tax be applied for those purposes, that the funds be separately held, and the amount of funds collected and expended. This annual report requirement applies to CFD No. 2007-1 (Attachment A), CFD 2007-2 (Attachment B), CFD No. 5 (Attachment C), CFD No. 6 (Attachment D), and CFD No. 2011-1 (Attachment E). The issued bond amounts include funds for construction and/or improvements due to costs related to issuing the bonds and amounts required to be held in reserve accounts. Interest earned on funds is generally included in balances, see attachments for details.

The CFD No. 2007-1 – Douglas Park Commercial Area A Bonds totaling \$15.1 million were issued in 2007, of which \$12.9 million funded the acquisition and construction of various public improvements including sewer, water, roadway, and traffic signalization systems, installation of streetlights, and construction of dry utilities, and landscaping and irrigation improvements. CFD No. 2007-1 assesses Special Tax A for construction of infrastructure, debt service payments, and District administration costs. As of September 30, 2021, the Special Tax A balance is \$53,359. The CFD also assesses Special Tax B for infrastructure maintenance within the District. As of September 30, 2021, the Special Tax B balance is \$1,542,483.

The CFD No. 2007-2 – Belmont Shore 2009 Bonds totaling \$3.7 million were issued, of which \$3.2 million funded the acquisition of property for parking lot use, alleyway improvements and related costs, relocation of utilities, landscaping, signage, and other projects to provide public

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parking. As of September 30, 2021, the balance of \$34,090 remains for ongoing improvements in this area.

The CFD No. 5 – Long Beach Towne Center 2008 Refunding Bonds totaling \$14.6 million were issued, of which \$826,219 funded certain sidewalk and/or drainage improvements. The City used \$13.8 million of the 2008 bond funds to refund the outstanding 2000 bonds previously issued for the District by the City, among other related bond costs and reserves. The project was completed and no balance remains.

The CFD No. 6 – Pike Public Improvement Bonds totaling \$43 million were issued, of which \$32.1 million funded the acquisition, construction and installation of the Pike parking structure and the Catalina Landing parking lot, and ancillary improvements, which included storm drains, metered on-street parking stalls, installation of underground utilities and related improvements. The project was completed and no balance remains.

The CFD No. 2011-1 – Douglas Park - North of Cover Street Area has not issued any bonds. Although no bonds have been issued for this District, an annual report is included to show the assessed funds collected to date, and related expenses. As of September 30, 2021, the balance is \$410,996.

This matter was reviewed by Deputy City Attorney Richard F. Anthony and Revenue Management Officer Geraldine Alejo on November 9, 2021.

### TIMING CONSIDERATIONS

City Council action is requested on December 7, 2021, as State law requires the reports to be filed by the end of the calendar year.

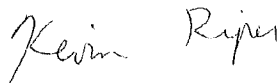
### FISCAL IMPACT

This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no fiscal or local job impact associated with this recommendation.

### SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



KEVIN RIPER  
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



THOMAS B. MODICA  
CITY MANAGER

ATTACHMENTS: A – 2007-1 DOUGLAS PARK ANNUAL REPORT  
B – 2007-2 BELMONT SHORE ANNUAL REPORT  
C – LONG BEACH TOWNE CENTER REFUNDING ANNUAL REPORT  
D – PIKE PUBLIC IMPROVEMENTS ANNUAL REPORT  
E – 2-11-1 DOUGLAS NORTH OF COVER ANNUAL REPORT

**Community Facilities District**  
**No. 2007-1 Douglas Park – Commercial Area**

**2 0 2 1   A N N U A L**  
**R E P O R T**

Senate Bill 165 enacted the Local Agency Special Tax and Bond Accountability Act codified in Government Code Sections 53410 through 53412. This Act requires that any local special tax/local bond measure subject to voter approval contain a statement indicating the purposes of the special tax, that the special tax proceeds apply to those purposes, creation of an account into which those proceeds are deposited, and requires an annual report with information on the use of proceeds.

This report intends to comply with Section 53411 of the California Government Code that states:

“The chief fiscal officer of the issuing local agency shall file a report with its governing body no later than January 1, 2002, and at least once a year thereafter. The annual report shall contain all of the following:

- (a) The amount of funds collected and expended.
- (b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 53410.”

### Special Tax A – Improvement Fund

The requirements of the Act apply to the Improvement/Construction/Facilities Fund of the following District as reported in prior years:

District	Date Bonds Issued	Initial Amount Improvement/Construction Fund	9/30/2021 Balance <sup>(1)</sup>	Expenditures to Date <sup>(2)</sup>	Project Status
CFD No. 2007-1	July 2007	\$12,934,414	\$53,359	\$12,881,055	On-Going

(1) The balance is available for administrative costs associated with this district. All acquisition/construction funds have been spent. The collection of the Special Tax A will continue until bonds mature in September 2037.

(2) Expenditures to date are reduced by Interest earnings.

### Special Tax B – Maintenance

Special Tax B serves to pay for ongoing services and maintenance of improvements within this District. Amounts are reported cumulatively.

District	Date of Formation	Cumulative Annual Levy <sup>(1)</sup>	9/30/2021 Balance	Expenditures to Date	Project Status
CFD No. 2007-1	March 6, 2007	\$1,745,605	\$1,542,483	\$203,122	On-Going

(1) The Special Tax B levy for FY2021 is \$128,795. No additional amount was spent on maintenance in 2021.

**Community Facilities District  
No. 2007-2 Belmont Shore – 2009 Bonds**

**2 0 2 1   A N N U A L  
R E P O R T**

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- (a) The amount of funds collected and expended.
- (b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 53410.”

The requirements of the Act apply to the Improvement/Construction/Facilities Fund of the following District as reported in prior years:

<b>District</b>	<b>Date Bonds Issued</b>	<b>Initial Amount Deposited To Improvement/Construction Fund</b>	<b>09/30/2021 Balance <sup>(1)</sup></b>	<b>Expenditures to Date <sup>(2)</sup></b>	<b>Project Status</b>
CFD No. 2007-2	11/19/2009	\$3,163,935	\$34,090	\$3,129,845	In Progress

- (1) Balance includes interest earnings.
- (2) Expenditures to date are reduced by interest earnings.

**Community Facilities District No. 5  
Long Beach Towne Center Refunding**

**2 0 2 1   A N N U A L  
R E P O R T**

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- (a) The amount of funds collected and expended.
- (b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 53410.”

The requirements of the Act apply to the Improvement/Construction/Facilities Fund of the following District as reported in prior years:

<b>District</b>	<b>Date Refunded Bonds Issued</b>	<b>Initial Amount Deposited To Improvement/Construction Fund</b>	<b>9/30/2021 Balance</b>	<b>Expenditures to Date <sup>(1)</sup></b>	<b>Project Status</b>
CFD No. 5 (Refunded)	5/22/2008	\$826,219	\$0	\$833,817	Complete

(1) Amount includes interest earnings. To meet State requirements, the same data has been reported since 2009.

**Community Facilities District No. 6  
Pike Public Improvements**

**2 0 2 1   A N N U A L  
R E P O R T**

Senate Bill 165 enacted the Local Agency Special Tax and Bond Accountability Act codified in Government Code Sections 53410 through 53412. This Act requires that any local special tax/local bond measure subject to voter approval contain a statement indicating the purposes of the special tax, that the special tax proceeds apply to those purposes, creation of an account into which those proceeds are deposited, and requires an annual report with information on the use of proceeds.

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- (a) The amount of funds collected and expended.
- (b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 53410.”

The requirements of the Act apply to the Improvement/Construction/Facilities Fund of the following District as reported in prior years:

<b>District</b>	<b>Date Bonds Issued</b>	<b>Initial Amount Deposited to Improvement/Construction Fund</b>	<b>9/30/2021 Balance</b>	<b>Expenditures to Date</b>	<b>Project Status</b>
CFD No. 6	7/11/2002	\$32,142,411	\$0	\$32,142,411	Complete

Note: To meet State requirements, the same data has been reported since 2011.

Interest Earnings on Improvement Fund Bond Proceeds:

<b>District</b>	<b>Interest Earned on Improvement Bond Proceeds</b>	<b>9/30/2021 Earned Interest Balance</b>	<b>Earned Interest Expenditures To Date</b>
CFD No. 6	\$363,433	\$0	\$363,433

Note: To meet State requirements, the same data has been reported since 2011.

**Community Facilities District  
No. 2011-1 Douglas North of Cover**

**2 0 2 1   A N N U A L  
R E P O R T**

Senate Bill 165 enacted the Local Agency Special Tax and Bond Accountability Act codified in Government Code Sections 53410 through 53412. This Act requires that any local special tax/local bond measure subject to voter approval contain a statement indicating the purposes of the special tax, that the special tax proceeds apply to those purposes, creation of an account into which those proceeds are deposited, and requires an annual report with information on the use of proceeds.

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- (a) The amount of funds collected and expended.
- (b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 53410.”

The scope of this Act was determined to apply to all Special Taxes to be used for improvements or maintenance within this District. There are no bonds issued on this district. The amounts below are reported cumulatively.

<b>District</b>	<b>Date of Formation</b>	<b>Cumulative Annual Levy <sup>(1)</sup></b>	<b>9/30/2021 Balance <sup>(1)</sup></b>	<b>Expenditures to Date</b>	<b>Project Status</b>
CFD No. 2011-1	February 2011	\$480,458	\$410,996	\$69,462	On-Going

(1) Amounts includes levy plus interest earnings. The levy is \$50,535 for 2021.