

RESOLUTION NO. RES-05-0119

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A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH EXPRESSING THE CITY'S INTENT TO ISSUE MULTIFAMILY HOUSING REVENUE BONDS TO PROVIDE ADDITIONAL FINANCING FOR THE ACQUISITION AND REHABILITATION OF MULTIFAMILY RESIDENTIAL RENTAL FACILITIES BY DECRO LONG BEACH L.P., AND APPROVING RELATED ACTIONS

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WHEREAS, the City of Long Beach (the "City") is authorized by Chapter 7 of Part 5 of Division 31 of the Health and Safety Code of the State of California (the "Act"), to issue and sell revenue bonds for the purpose of providing financing for the acquisition and rehabilitation of multifamily rental housing facilities located within the City to be occupied in part by low income tenants; and

WHEREAS, on April 8, 2004, the City issued up to \$15,236,000 of its City of Long Beach Multifamily Housing Revenue Bonds (Decro Long Beach - Multiple Developments), Series 2004A (the "2004 Bonds") pursuant to the Act for the purpose of financing the rehabilitation by Decro Long Beach L.P., a California limited partnership (the "Owner") of twelve different multifamily residential rental housing facilities (collectively, the "Facilities") as described in Exhibit A hereto; and

WHEREAS, rehabilitation costs for the Facilities have increased beyond what was expected at the time of the issuance of the 2004 Bonds, and the Owner has now requested that the City issue approximately \$6,000,000 of revenue bonds (the "Bonds") to provide additional financing for rehabilitation of the Facilities; and

WHEREAS, it is intended that the interest on the Bonds be excluded from gross income for federal tax purposes; and

1           WHEREAS, the Bonds will be considered to be "qualified exempt facility  
2 bonds" under Section 142(a) of the Internal Revenue Code of 1986, as amended (the  
3 "Code"), and Section 147(f) of the Code requires that the "applicable elected  
4 representative" with respect to the City approve the issuance of the Bonds following a  
5 public hearing on the Bonds, in order for the interest on the Bonds to be tax-exempt;  
6 and

7           WHEREAS, this City Council is an applicable elected representative of the  
8 City for purposes of the Code; and

9           WHEREAS, a notice of said public hearing has been duly given as  
10 required by the Code, and the City Treasurer has heretofore held such public hearing at  
11 which all such interested persons were given an opportunity to be heard on all matters  
12 relative to the location, operation and financing of the Facilities and the City's issuance  
13 of the Bonds therefor, and a summary of any oral or written testimony received at the  
14 public hearing has been presented to the City Council for its consideration; and

15           WHEREAS, the City Council now desires to express its intent to issue the  
16 Bonds and to direct the City's Director of Community Development ("Director") to take  
17 all actions necessary to apply for a private activity bond allocation for the Bonds from  
18 the California Debt Limit Allocation Committee ("CDLAC");

19           NOW, THEREFORE, the City Council of the City of Long Beach resolves  
20 as follows:

21           Section 1. The City intends to issue the Bonds in a principal amount of  
22 approximately \$6,000,000 for the purpose of making a loan to the Owner to finance the  
23 cost of the rehabilitation of the Facilities by the Owner.

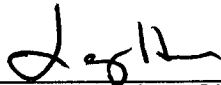
24           Sec. 2.       The City Council directs the Director of Community  
25 Development ("Director") to take all actions necessary or desirable to obtain an  
26 allocation for the issuance of private activity bonds for the Facilities from CDLAC in the  
27 amount of approximately \$6,000,000 (the "Allocation"). The Director shall take all  
28 actions required or desirable under the procedures of CDLAC and Chapter 11.8 of

1 Division 1 of Title 2 (commencing with Section 8869.80) of the California Government  
2 Code to apply for the Allocation from CDLAC.

3 Sec. 3. The adoption of this Resolution is for the purpose of  
4 satisfying the requirements of CDLAC related to the Allocation and the public approval  
5 requirement of the Code, and to indicate the City's intent to issue the Bonds to provide  
6 additional financing for the Facilities. However, the adoption of this Resolution shall not  
7 obligate the City to issue the Bonds on terms other than which are fully acceptable to  
8 the City in its discretion. The issuance of the Bonds shall be subject to approval by a  
9 separate resolution of the City Council, which resolution shall consider the approval by  
10 the City Council of the primary documents with respect to the Bonds to which the City  
11 will be a party.

12 Sec. 4. This Resolution shall take effect immediately upon its adoption by  
13 the City Council, and the City Clerk shall certify to the vote adopting this resolution.  
14 I certify that this resolution was adopted by the City Council of the City of Long Beach,  
15 California, at its meeting of October 18, 2005, by the following vote:

16	Ayes:	Councilmembers:	Lowenthal, Baker, Colonna,
17			O'Donnell, Kell, Reyes Uranga,
18			Gabelich, Lerch.
19			
20	Noes:	Councilmembers:	None.
21			
22	Absent:	Councilmembers:	Richardson.
23			

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26 City Clerk  
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EXHIBIT A

1  
2 The developments to be financed, all located within the City, consist of the  
3 following:

4	Property Address	Rental Units
5	1 Cedar Court Apartments 1855, 1865, 1895 Cedar Street	42
6	2 Cerritos Court Apartments 842 & 858 Cerritos Ave.	23
7	3 Linden Garden Court 6371 Linden/531 64th St.	24
8	4 Ocean Breeze Senior Apartments 854 Martin Luther King Jr.	16
9	5 Orange Ave. Apartments 1000 Orange Ave.	19
10	6 Terrace Gardens Apartments 1200-1240 52nd Street	43
11	7 Valentine Gardens Apartments 6185, 6191, 6195 Linden	18
12	8 Ocean Gate Apartments 1070 Martin Luther King Jr.	20
13	9 1034 Alamitos Apartments 1034 Alamitos Ave.	30
14	10 Lime Street Apartments 1060 Lime Street	16
15	11 Cedar Court Apartments South 1843-1849 Cedar Avenue	32
16	12 Artesia Court Apartments 3281-3283 E. Artesia Blvd.	36
17	13 Seabreeze Senior Apartments 745 Alamitos Avenue	44