



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-31

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-6169 • Fax (562) 570-5836

December 18, 2007

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive supporting documentation into the record regarding the Tax and Equity Fiscal Responsibility Act (TEFRA) public hearing, and adopt the attached resolution approving the issuance of revenue bonds by the California Statewide Community Development Authority (CSCDA) to benefit Mental Health America of Los Angeles in an amount not to exceed \$2,000,000. (District 1)

DISCUSSION

Mental Health America of Los Angeles, a California nonprofit public benefit corporation, has requested the California Statewide Communities Development Authority (CSCDA) to issue revenue bonds on its behalf in an aggregate amount not to exceed \$2,000,000 to finance and refinance the acquisition, construction, rehabilitation and improvement of property and facilities providing counseling and other services to mentally disabled persons.

The Internal Revenue Service (IRS) Code requires that the CSCDA seek approval from the City Council of the bonds issued, a portion of which will benefit the Facilities within the City. A Tax and Equity Fiscal Responsibility Act (TEFRA) public hearing notification was published in the Press-Telegram on November 22, 2007. The TEFRA hearing was held on December 11, 2007 at 9:00 a.m. The public hearing, required by Federal tax law, was conducted by the City Treasurer in the sixth floor conference room at City Hall. No public comment was presented.

This matter was reviewed by Assistant City Attorney Heather A. Mahood on December 6, 2007 and Budget Management Officer Victoria Bell on December 7, 2007.

TIMING CONSIDERATIONS

City Council action is requested on December 18, 2007 to facilitate the forthcoming revenue bond issuance.

FISCAL IMPACT

The proposed action has no fiscal impact on the City of Long Beach. The City has no financial obligation or liability associated with this financing. No City interest or taxing authority was pledged in support of this financing.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO

MAK:DN:
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ATTACHMENT

APPROVED:



fw PATRICK H. WEST
CITY MANAGER

1 RESOLUTION NO.

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH APPROVING THE ISSUANCE OF
5 TAX-EXEMPT OBLIGATIONS BY THE CALIFORNIA
6 STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
7

8 WHEREAS, the Mental Health America of Los Angeles, a California
9 nonprofit public benefit corporation ("Borrower") has requested that the California
10 Statewide Communities Development Authority ("Issuer") issue its notes, bonds or any
11 other evidence of indebtedness (the "Obligations") in an aggregate principal amount not
12 expected to exceed \$2,000,000 ("the Maximum Principal Amount") for the purpose of
13 providing funds to finance or refinance the acquisition, construction, rehabilitation and
14 improvement of property, including real and personal property, to be used as, or as a part
15 of, facilities providing counseling and other services to mentally disabled persons
16 ("Projects") and pay related costs; and

17 WHEREAS, the Issuer has requested that the City of Long Beach approve
18 the issuance of the Obligations and the Projects in order to satisfy the public approval
19 requirement of Section 147(f) of the Internal Revenue Code of 1986, as amended (the
20 "Code"), and the requirements of Section 9 of the Amended and Restated Joint Exercise
21 of Powers Agreement (the "Joint Powers Agreement"), dated as of June 1, 1988, among
22 certain local agencies, including the City of Long Beach; and

23 WHEREAS, the City of Long Beach held a public hearing on December 11,
24 2007 providing a reasonable opportunity for persons to comment on the issuance of the
25 Obligations and the Projects; and

26 WHEREAS, it is intended that this resolution shall constitute the approval of
27 the issuance of the Obligations and the Projects required by Section 147(f) of the Code,
28 Section 9 of the Joint Powers Agreement and Section 91530(f) of the Government Code

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 of the State of California;

2 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
3 follows:

4 Section 1. That the issuance of the Obligations and the Projects are
5 hereby approved for the purposes of Section 147(f) of the Code and Section 9 of the
6 Joint Powers Agreement.

7 Section 2. 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 _____, 2007, by the
11 following vote:

12 Ayes: Councilmembers: _____
13 _____
14 _____
15 _____

16 Noes: Councilmembers: _____
17 _____

18 Absent: Councilmembers: _____
19 _____
20 _____

City Clerk

27
28 HAM:fl
11/6/07
#07-05410