

1 RESOLUTION NO. RES-08-0077

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3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH CALLING AN ELECTION TO BE
5 HELD IN THE CITY OF LONG BEACH ON THE 4TH DAY OF
6 NOVEMBER, 2008, FOR THE PURPOSE OF AUTHORIZING
7 THE LEVY OF A NEW SPECIAL PARCEL TAX TO FUND
8 CITY INFRASTRUCTURE (LONG BEACH
9 INFRASTRUCTURE REINVESTMENT ACT)

10
11 WHEREAS, the City's streets, sidewalks, alleys, storm water collection
12 systems, public buildings, health and safety facilities, parks and libraries (collectively,
13 "Infrastructure") are in need of repair, improvement, or total replacement; and

14 WHEREAS, funding for the repair, improvement or replacement of the
15 City's Infrastructure has not kept pace with the cost of doing so, and there is a need for
16 additional revenue for this purpose; and

17 WHEREAS, the City has identified a \$571 million funding shortfall to meet
18 its critical Infrastructure needs after taking into account all current and projected Federal,
19 State, County and local revenue sources; and

20 WHEREAS, many public buildings have exceeded their useful life and may
21 be shut down, with associated services suspended, if not rehabilitated, improved or
22 replaced; and

23 WHEREAS, the City's population has increased by 36 percent over the past
24 30 years, which has increased the demand on, and accelerated the deterioration of, the
25 City's Infrastructure; and

26 WHEREAS, many of the City's fire stations were constructed in the mid-
27 1900's and are inadequate to meet current building standards, gender equality standards,
28 and ever-increasing public safety demands, and may not survive a significant seismic

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1 event or be able to contain all of the equipment necessary to respond most effectively in
2 the event of a major emergency or disaster; and

3 WHEREAS, all citizens of the City benefit from decent, safe, sanitary, well
4 maintained, and optimally functioning Infrastructure and the resulting elimination of
5 blighting influences, reduction of crime, enhancement of property values, and an
6 improvement of their quality of life; and

7 WHEREAS, the City desires to increase passive and active open space
8 through the acquisition and preservation of wetlands and open space, serving both the
9 densely populated neighborhoods and the City as a whole; and

10 WHEREAS, the City's economic health, as evidenced by: the retention of
11 existing and attraction of new business, increased convention activities, regionally
12 significant special events, and increased cultural and recreational tourist levels, is directly
13 affected by the condition of its Infrastructure;

14 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
15 follows:

16 Section 1. Under the provisions of the Constitution and laws of the State
17 of California and the Charter of the City of Long Beach, an election is ordered,
18 proclaimed and called to be held in the City of Long Beach, between the hours of 7:00
19 a.m., and 8:00 p.m., on Tuesday, the 4th day of November, 2008, for the purpose of
20 submitting to a vote of the qualified electors of the City of Long Beach the following
21 proposition which, for identification purposes, is marked as Proposition B:

22 Proposition B

23 To repay bonds which the City intends to issue to repair/replace city streets,
24 sidewalks, alleys, storm drains, fire stations, police stations, libraries and
25 recreational facilities and to acquire, restore and preserve wetlands, shall an
26 Ordinance be adopted which establishes an annual parcel tax of \$120 per
27 residential unit (0.4 to 8.8 cents per square foot for other uses) adjusted
28 annually for inflation?

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1 Section 2. Notice is hereby given of the time and place of the election.
2 The City Clerk is directed and authorized to print and publish the proposition as required
3 by law. All particulars not provided in this resolution shall be administered in accordance
4 with the provisions of law governing the conduct of such elections in the City of Long
5 Beach.

6 Section 3. The proposition shall be stated as provided in Section 13119
7 of the Elections Code of the State of California. The ballot used in voting upon the
8 propositions shall contain the words "yes" and "no". The text of Proposition B is set forth
9 in full in Exhibit "A".

10 Section 4. That only qualified voters of the City of Long Beach shall be
11 permitted to vote in the election called by this resolution.

12 Section 5. Upon approval by the voters of the measure set forth in
13 Exhibit "A", attached hereto and incorporated herein by this reference, the City Council is
14 hereby authorized to establish and adopt, by ordinance, a new annual special parcel tax
15 in the amounts set forth in Exhibit "A" within the boundaries of the City of Long Beach.

16 Section 6. In connection with the proposed new parcel tax, the City
17 Council proposes to increase the City's appropriations limit per fiscal year, in an amount
18 equal to the levy of taxes for said year, as permitted by Article XIII B of the California
19 Constitution.

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

22 I hereby certify that the foregoing resolution was adopted by the City
23 Council of the City of Long Beach at its meeting of July 22, 2008 by the

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1 following vote:

2 Ayes: Councilmembers: B. Lowenthal, S. Lowenthal,
3 DeLong, O'Donnell, Andrews,
4 Reyes Uranga, Gabelich, Lerch.

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6 Noes: Councilmembers: Schipske.

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8 Absent: Councilmembers: None.

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12 City Clerk

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EXHIBIT "A"

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF LONG BEACH
ADDING CHAPTER 3.85 TO THE LONG BEACH
MUNICIPAL CODE AUTHORIZING THE LEVY OF A
SPECIAL PARCEL TAX (LONG BEACH INFRASTRUCTURE
REINVESTMENT ACT)

The people of the City of Long Beach ordains as follows:

Section 1. Chapter 3.85 is hereby added to the Long Beach Municipal
Code to read in its entirety as follows:

Chapter 3.85

Long Beach Infrastructure Reinvestment Act

3.85.010 Short title.

This Chapter shall be known as the "Long Beach Infrastructure
Reinvestment Act."

3.85.020 Legislative findings and declarations.

A. The City's streets, sidewalks, alleys, storm water collection
systems, public buildings, health and safety facilities, parks and libraries
(collectively, "Infrastructure") are in need of repair, improvement, or total
replacement.

B. Funding for the repair, improvement or replacement of the
City's Infrastructure has not kept pace with the cost of doing so, and there is
a need for additional revenue for this purpose.

C. The City has identified an estimated \$571 million funding

1 shortfall to meet its critical Infrastructure needs after taking into account all
2 current and projected Federal, State, County and local revenue sources.

3 D. Many public buildings have exceeded their useful life and may
4 be shut down, with associated services suspended, if not rehabilitated,
5 improved or replaced.

6 E. The City's population has increased by 36 percent over the
7 past 30 years, which has increased the demand on, and accelerated the
8 deterioration of, the City's Infrastructure.

9 F. Many of the City's fire stations were constructed in the mid-
10 1900's and are inadequate to meet current building standards, gender
11 equality standards, and ever-increasing public safety demands, and may
12 not survive a significant seismic event or be able to contain all of the
13 equipment necessary to respond most effectively in the event of a major
14 emergency or disaster.

15 G. All citizens of the City benefit from decent, safe, sanitary, well
16 maintained, and optimally functioning Infrastructure and the resulting
17 elimination of blighting influences, reduction of crime, enhancement of
18 property values, and an improvement of their quality of life.

19 H. The City desires to increase passive and active open space
20 through the acquisition and preservation of wetlands and open space,
21 serving both the densely populated neighborhoods and the City as a whole.

22 I. The City's economic health, as evidenced by: the retention of
23 existing and attraction of new business, increased convention activities, and
24 increased cultural and recreational tourist levels, is directly affected by the
25 condition of its Infrastructure.

26 3.85.030 Special parcel tax imposed.

27 A. The City shall be authorized to impose and levy a special
28 parcel tax each year on each parcel of real property within the City

1 described below, based on the use or right of use of the parcel, for the
2 purposes stated in this Chapter. The special tax hereby imposed shall be
3 at the rates set forth below:

LAND USE CLASSIFICATION	SPECIAL TAX
Single Family Residence	\$ 120 per Parcel
Multi-Family Residence	\$ 120 per Unit
Commercial	\$ 0.0878 per Sq. Ft. of Improvements
Office Buildings	\$ 0.0878 per Sq. Ft. of Improvements
Hotels/Motels	\$ 0.0878 per Sq. Ft. of Improvements
Shopping Centers	\$ 0.0878 per Sq. Ft. of Improvements
Light Industrial	\$ 0.0878 per Sq. Ft. of Improvements
Heavy Industrial	\$ 0.0878 per Sq. Ft. of Land
Vacant Land and Parking Lots	\$ 0.0746 per Sq. Ft. of Land
Recreational-Golf Courses	\$ 0.0040 per Sq. Ft. of Land

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20 B. The amounts set forth above shall be automatically adjusted
21 on July 1, 2010, and on July 1 of each year thereafter, upward or
22 downward, equivalent to the most recent change in the annual average of
23 the consumer price index as published by the United States Department of
24 Labor for the Los Angeles-Riverside-Orange County area. For purposes of
25 calculating the annual inflation/deflation factor under this Section, the base
26 year shall be that year ending with December 31, 2009. Nothing in this
27 Chapter shall be construed as imposing a special tax upon any person
28 when imposition of such special tax upon that person would be in violation

1 of either the Constitution of the United States or the Constitution of the
2 State of California.

3 C. The special tax imposed by this Chapter shall not be levied
4 upon the Federal government, the State government, any state agency or
5 any local governmental agency.

6 D. The special tax imposed by this Chapter shall be assessed
7 upon the owner of the parcel unless the owner is by law exempt from
8 taxation, in which case, the special tax imposed shall be assessed to the
9 holder of any possessory interest in such parcel, unless such holder is also
10 by law exempt from taxation. "Possessory interest" as it applies to property
11 owned by any agency of federal, state or local government, shall mean
12 possession of, claim to, or right to the possession of, land or improvements
13 and shall include any exclusive right to the use of such land or
14 improvements.

15 E. The special tax imposed by this Chapter shall not be levied
16 upon a parcel of property or improvement to property which is owned by a
17 house of worship or non-profit organization which qualifies for an exemption
18 from ad valorem taxation under California law.

19 F. It is the intent of the City to tax all parcels located within the
20 City limits. In the event a use category is not listed in the table above, that
21 use category shall be taxed at the same rate as Commercial.

22 3.85.040 Use of proceeds.

23 The proceeds of this special tax may be used only for the following
24 purposes:

25 All costs incident to the acquisition, improvement, repair,
26 replacement, rehabilitation, relocation, restoration, and preservation of
27 streets, signals, sidewalks, alleys, storm water collection, transportation,
28 detention and discharge systems, fire and police stations and other public

1 safety facilities, parks and recreation and community facilities, open space,
2 and wetlands, libraries and health facilities or for the payment of debt
3 service on and the administration of any bonds issued for any such
4 improvements.

5 3.85.050 Term of special parcel tax.

6 The special parcel tax shall take effect on July 1, 2009, and shall
7 continue in effect until June 30, 2044.

8 3.85.060 Definitions.

9 The following terms as used in this Chapter shall have the
10 meanings indicated in this Section as follows:

11 A. "Parcel" means any unit of real property in the City which
12 receives a separate tax bill for ad valorem property taxes from the Los
13 Angeles County Treasurer-Tax Collector's Office.

14 B. The terms "Single Family Residential," "Multifamily
15 Residential," "Commercial," "Office Buildings," "Hotels/Motels," "Shopping
16 Centers," "Light Industrial," "Heavy Industrial," "Vacant Land," "Parking Lots"
17 and "Recreational-Golf Courses," shall have the same meaning as utilized
18 by the Office of the Los Angeles County Assessor in imposing and
19 calculating ad valorem property taxes. In the event that the Office of the
20 Los Angeles County Assessor modifies such categories, the designations
21 contained in this Chapter shall be deemed to be amended to match the
22 newly created category mostly closely matching the categories listed above.

23 C. "Unit" means a structure constructed primarily for human
24 habitation, which may be an individual detached residential unit, an
25 individual attached residential unit within a duplex, triplex, fourplex,
26 townhome, or condominium structure, an individual apartment unit, or a
27 mobile home or other dwelling unit.

28 3.85.070 Collection of special tax.

1 A. The special tax shall be collected on behalf of the City by the
2 County of Los Angeles. The City Clerk shall file with the County a certified
3 copy of a tax roll with a request that the taxes be posted to the County roll
4 for general property taxes. This filing shall occur on or before August 1st of
5 the fiscal year in which the taxes are to be collected. The special tax shall
6 be collected at the same time and in the same manner and shall be subject
7 to the same late charges and penalties for delinquency as general property
8 taxes and all laws providing for the collection and enforcement of such
9 property taxes shall apply to the collection and enforcement of the special
10 tax. After deduction of the collection charges of the County, the net amount
11 of the special taxes collected shall be remitted to the City.

12 B. If the County of Los Angeles does not collect any special tax
13 due under this Chapter, then the Director of Financial Management shall
14 have the power and duty to enforce all of the provisions of this Chapter. In
15 such cases an assessment may be made against the owner of a parcel and
16 improvements in the manner provided by law. Any unpaid special tax due
17 under this Chapter shall be subject to all remedies provided by law.

18 C. The special tax shall be due in two equal installments in
19 accordance with the collection procedures of the Los Angeles County tax
20 collector with the first installment due November 1st, and the second
21 installment due the next succeeding February 1st, in each fiscal year. The
22 owner of the land, land and improvements, at the time set forth in California
23 Revenue and Taxation Code Sections 405 and 2192 for each fiscal year
24 shall have a personal obligation to the City until the tax is paid for each
25 fiscal year.

26 3.85.080 Exemptions.

27 A. An exemption from the special tax will be made available to
28 owners of single family residential units in which they reside who will attain

1 the age of 65 years during the assessment year, who owns a beneficial
2 interest in the parcel and who uses that parcel as his or her principal place
3 of residence. Owners must apply to the City for this exemption in the
4 manner and at the time set forth in procedures established by the City.
5 Such application shall be on forms available from the Director of the
6 Department of Financial Management. Any one application from a qualified
7 applicant will provide an exemption for the parcel for that assessment year,
8 and with an annual renewal with the City, for the remaining term of the
9 assessment so long as such applicant continues to use the parcel as his or
10 her principal residence.

11 B. An exemption from the special tax will be made for owners of
12 single family residential units receiving Supplemental Security Income for a
13 disability, regardless of age. Owners must apply to the City for this
14 exemption annually in the manner and at the time set forth in procedures
15 established by the City. Such application shall be on forms available from
16 the Director of the Department of Financial Management and must provide
17 information sufficient to verify that such owner is in fact receiving
18 Supplemental Security Income for a disability.

19 3.85.090 Adjustments and refunds.

20 A. Requests for adjustments involving imposition of this special
21 tax may be filed with the Director of Financial Management. Upon sufficient
22 evidence of error in the computation of the special tax, the Director of
23 Financial Management or his/her designee shall cause the special tax to be
24 recalculated, and shall so advise the Los Angeles County Tax Collector or
25 other appropriate official.

26 B. Whenever it is alleged that the amount of any special tax has
27 been overpaid or paid more than once or has been erroneously or illegally
28 collected or received by the City under this Chapter the refund procedure

1 shall be as follows:

2 No claim for refund of special tax payment shall be allowed in whole
3 or in part unless filed with the City Clerk within a period of three (3) years
4 from the date of the claimed overpayment. All such claims for refund of the
5 amount of the overpayment must be filed on forms furnished, and in the
6 manner prescribed by the Department of Financial Management. Refunds
7 may be made solely from the Long Beach Infrastructure Reinvestment
8 Special Tax Fund.

9 C. The Director of Financial Management may prepare a
10 questionnaire to be served on the owner of a parcel or improvements
11 subject to the tax imposed by this Chapter. The questionnaire may request
12 information which would be useful to the Director of Financial Management
13 in the enforcement or administration of this Chapter. The failure by an
14 owner to provide the information requested within thirty (30) days of receipt
15 of the request, or the act of an owner in knowingly providing false
16 information, shall be a misdemeanor.

17 3.85.100 Independent audit.

18 The City Auditor shall annually cause an independent financial
19 auditor to prepare a report, which shall be filed with the City Council no later
20 than January 1st of each year, containing information regarding the amount
21 of tax revenue collected and expended in the previous fiscal year, and the
22 status of any projects and programs funded by such tax revenue.

23 3.85.110 Special fund.

24 A. There is established a special fund entitled "Long Beach
25 Infrastructure Reinvestment Special Tax Fund" (hereinafter the "special
26 fund"). Money collected pursuant to this Chapter shall be deposited into
27 said special fund and shall be used exclusively as provided in this Chapter
28 for the purposes for which the special tax is imposed, and for no other

1 purposes. Nothing in this Section shall prevent disbursements from this
2 special fund to reimburse the general fund if, and only if, money has been
3 advanced from the general fund to pay for the uses provided in this
4 Chapter.

5 B. Any money raised by the special tax, including any interest
6 accrued thereon, that remains unencumbered at the end of any fiscal year
7 may only be used in a succeeding fiscal year for the purposes stated in this
8 Chapter.

9 3.85.120 Nature of tax.

10 The special parcel tax imposed by this Chapter is not an ad valorem
11 tax on real property, nor a transaction tax or sales tax on the sale of real
12 property. It is an excise tax on the privilege of using City infrastructure, with
13 rates intended to be proportional to the benefits accorded to occupants of
14 certain categories of parcels. It is not feasible for the City to collect the tax
15 from the non-owner occupants on whom it is imposed because the records
16 available to the City do not include the names of non-owner occupants.
17 Therefore, the only practical way to collect a tax imposed on occupants is to
18 collect it from owners of the occupied parcels.

19 3.85.130 Citizens' oversight committee.

20 A. There is hereby created a Citizens' Oversight Committee,
21 which shall be composed of eleven (11) members. Nine (9) of the
22 appointments to the commission shall be residents of each of the nine
23 councilmanic districts and two (2) members shall be appointed to serve as
24 at-large members. Each member shall be appointed by the Mayor, subject
25 to confirmation by the City Council. The responsibilities of the Committee
26 are solely advisory to the City Council and shall consist of:

27 1. Review of the amount of tax revenue collected from the
28 special parcel tax.

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2. Review the expenditure of funds from the Long Beach Infrastructure Reinvestment Special Tax Fund.

3. Make recommendations on the priority of projects funded by the Long Beach Infrastructure Reinvestment Special Tax Fund.

B. Each year the Citizen's Oversight Committee shall cause a report to be prepared showing the amount of funds collected from the special parcel tax, expenditures from the special fund, and projected expenditures for the upcoming fiscal year. This report shall be submitted to the City Council.

C. The Director of Public Works shall designate a staff liaison to provide support to the Committee and facilitate it in its duties.

Section 2. As provided in Section 2001 of the Long Beach City Charter, if more than two-thirds of those electors voting on this ordinance vote in favor of same, it shall be adopted upon a declaration of the result of such ballot by the City Council, and it shall take effect ten (10) days after that date.

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