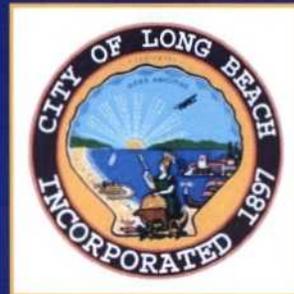


Investing in Our Future

The Long Beach Infrastructure Reinvestment Act





Needs Assessment History

- Alley Condition Surveys – 2002 and 2004
- Infrastructure Report – 2004, 2005, 2006, and 2007
- Pothole Repair Report – September 2006
- Ten-Year Financial Infrastructure Plan – January 2007
- Priority Public Safety Facilities Master Plan – July 2007
- A City in Need – August 21, 2007
- City Infrastructure Update – December 18, 2007



Funding Shortfall

The City's transportation infrastructure and facilities are in poor condition, deficient, and/or functionally obsolete

- Increased safety concerns
- Reduced service levels
- Accelerated depreciation of assets
- Increased resident dissatisfaction
- Ongoing property damage claims



Transportation Infrastructure



Streets & Sidewalks

- The City maintains 815 miles of arterial and local streets
- 23% of city streets have a “failed” to “poor” rating, and 37% have a “poor” to “fair” rating
- Each year of delay results in a significant increase in repair costs





Streets & Sidewalks

- The City maintains 1,160 miles of sidewalks
- Approximately 160 miles of sidewalk (14%) still need to be repaired





Alleys

- The City has 221 miles of alleys – 12 miles unimproved, 49 miles of asphalt, and 160 miles of concrete
- 90% of asphalt alleys and 12 % of concrete alleys need to be repaired
- 12 miles of unimproved alleys requiring paving



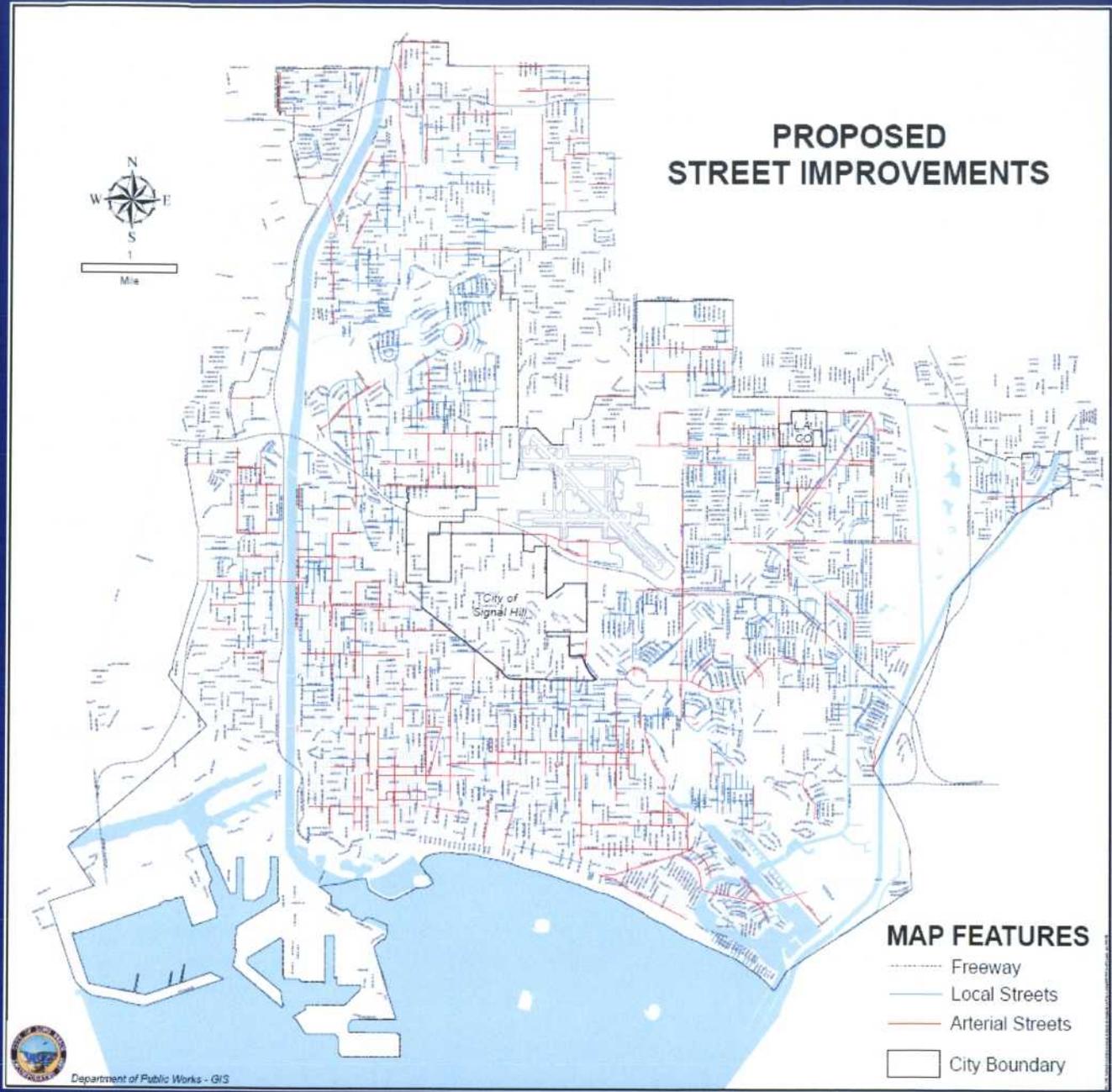


Streets, Sidewalks & Alleys

10-Year Plan

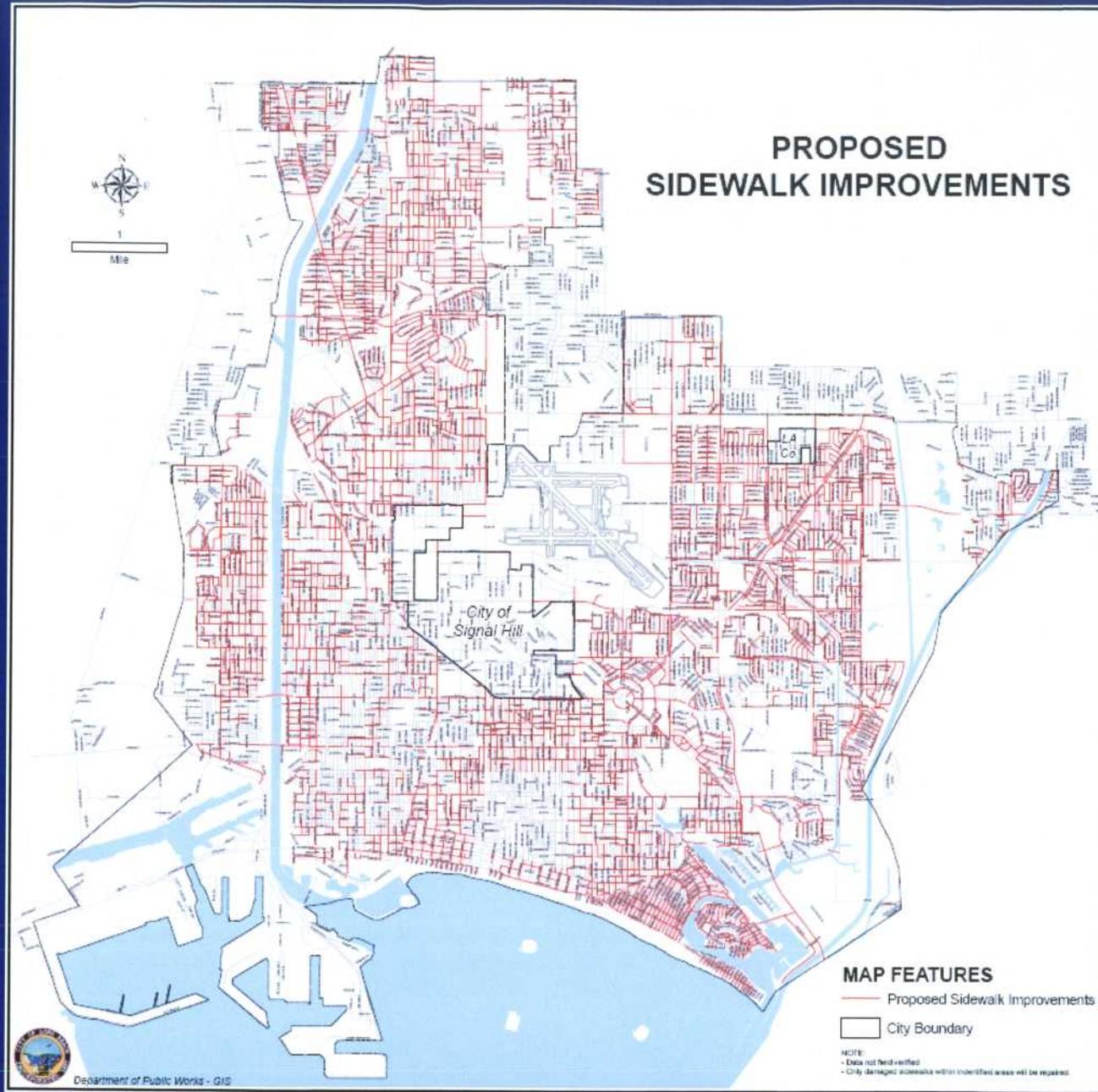
In January 2007, Public Works presented a conceptual plan for achieving a “Good” or better rating for 70% of city streets, and for fixing all damaged sidewalks and alleys, within a 10-year timeframe

Streets	\$ 185 million
Sidewalks	\$ 45 million
Alleys	\$ 45 million
Total	\$ 275 million



Subject to field verification

PROPOSED SIDEWALK IMPROVEMENTS



Subject to field verification

PROPOSED ALLEY IMPROVEMENTS



Subject to field verification



Facilities



Facility Assessment

- General Facilities Assessment conducted by Parsons – 3D/I in 2007 (2004, 2006) of 132 facilities in several building categories:
 - Fire Facilities
 - Police Facilities
 - Parks and Recreation Facilities
 - Library Facilities
 - Health Facilities
- Purpose was to identify the deficiencies in each facility, while providing cost estimates for corrections to return the facility to reliable operating condition



Facility Condition Index

- The Facility Condition Index, or "FCI," describes the relative state of building condition against a cost model of a similar building as if it were at the beginning of its useful life
- The FCI for each facility is the result of a complex formula involving condition ratings for numerous systems (e.g., roofs, structural, HVAC, plumbing)

0% - 5%	Good
6% - 10%	Fair
11% - 24%	Poor
25% - 49%	Very Poor
50% & Above	Replace



Additional Considerations

- Gender Equality
- Seismic Safety
- Inadequacy of Facilities





Deficiencies

The cost of repairs doubles every four to five years

Last year, the City could only devote resources amounting to 1% of the total capital investment need



Fire Facilities

- Fire facilities have an average rating of “Very Poor”
- Many fire stations cannot accommodate modern equipment
- Most fire stations do not meet current seismic standards
- 6 fire stations are older than the Fire Museum built in 1944





Police Facilities

- Permanent facilities are needed to replace inadequate trailers at the Police Academy
- Permanent facilities are needed to replace inadequate leased facilities





Public Safety Facilities (Police & Fire)

Priority Projects

- 9 Fire Stations Replaced
- 14 Fire Stations Repaired
- 3 Support Facilities Repaired
- Fire Training Facility Repaired
- New East Division Police Substation
- New Police Academy Facilities



Parks & Recreation Facilities

- Parks and Recreation facilities have an average rating of "Very Poor"
- A large number of facilities are in need of repair, rehabilitation, or replacement





Parks & Recreation Facilities

Priority Projects

- 11 Community Centers Replaced
- 19 Community Centers Repaired
- 5 Support Facilities Repaired
- 20 Park Restroom Facilities Replaced



Library Facilities

- Library facilities have an average rating of “Very Poor”
- Many libraries are in need of repair
- Main Library needs to be rebuilt or relocated





Health Facilities

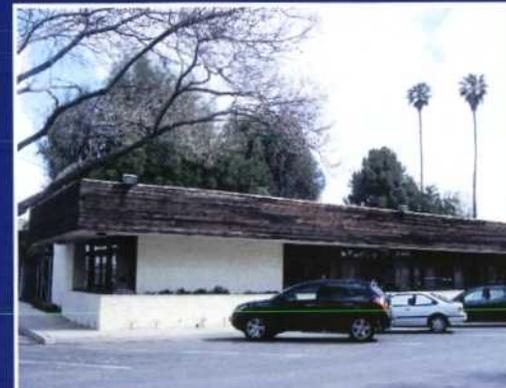
- Health facilities have an average rating of "Poor"
- All regional facilities are in need of repair

West Facilities Center – 2521 Santa Fe

North Facilities Center – 6335 Myrtle

Central Facilities Center – 1133 Rhea

Main Health Facility – 2525 Grand





Library & Health Facilities

Priority Projects

- 7 Libraries Repaired
- North Branch Library Relocated
- Main Library Rebuilt or Relocated
- Critical Repairs to Health Facilities

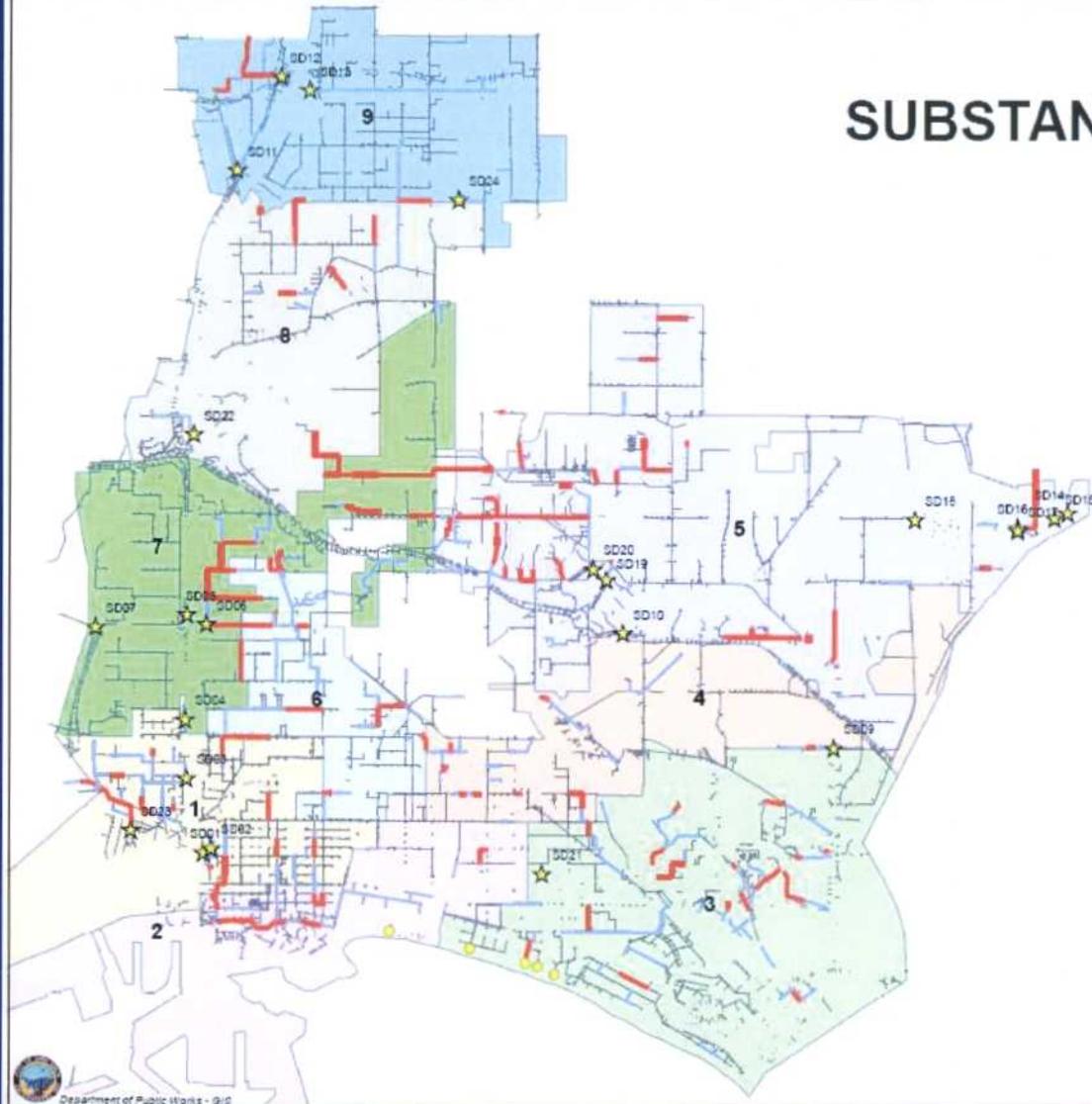


Coastal Water Quality Upgrades

- 28.1 miles of storm drains are inadequate resulting in flooding
- 3,000 unfiltered catch basins
- 5 unfiltered beach outfalls
- 23 pump stations without filtering/treatment devices



SUBSTANDARD STORM DRAIN FACILITIES



MAP FEATURES

- ☆ PUMP STATION
- BEACH OUTFALL LOCATION
- SUBSTANDARD CITY DRAIN
- CITY DRAIN
- OTHER DRAINS
- District 1
- District 2
- District 3
- District 4
- District 5
- District 6
- District 7
- District 8
- District 9





Coastal Water Quality Upgrades



Wetlands Acquisition & Preservation

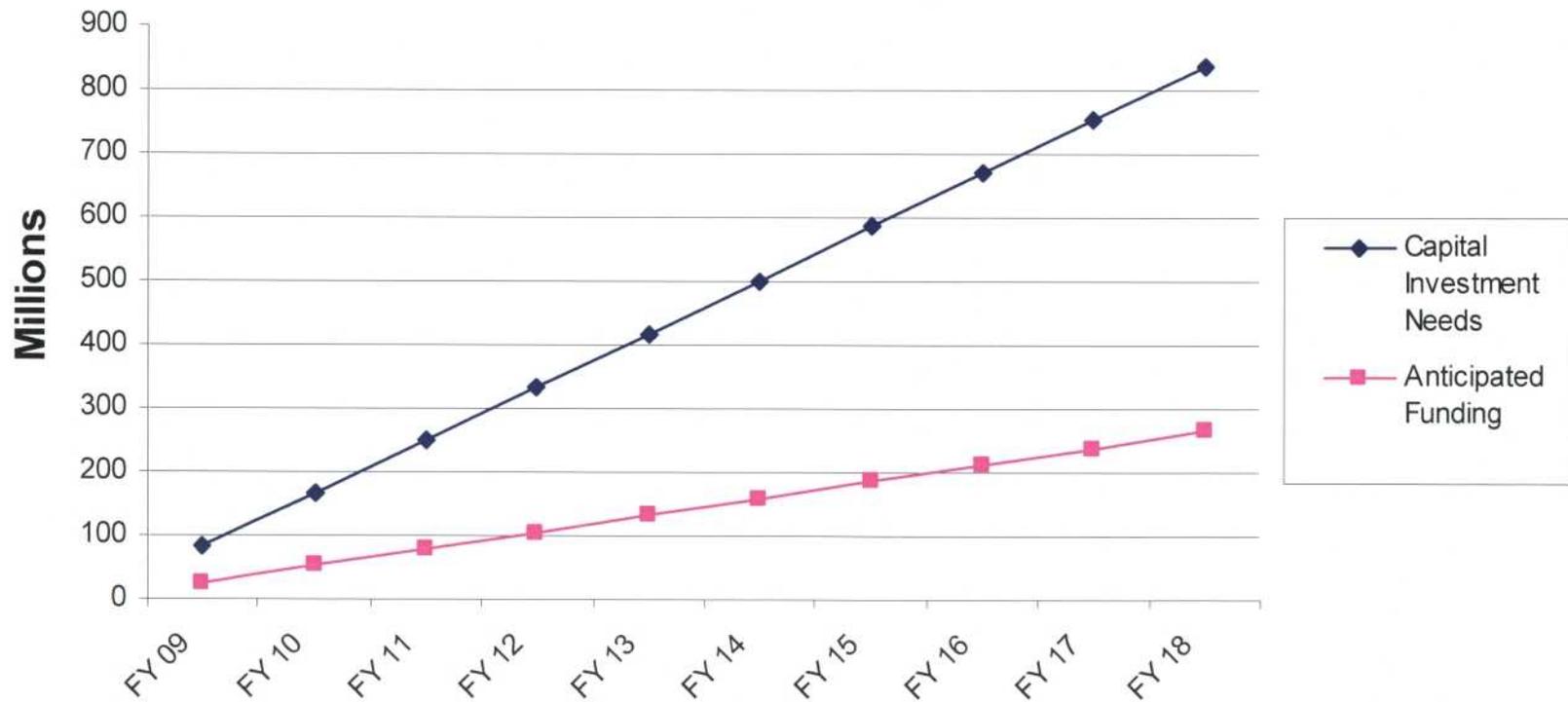


Long Beach Infrastructure Reinvestment Act

	Capital Needs	Anticipated Funding	Unmet Need
Streets, Sidewalks & Alleys	\$ 275,160,552	\$ 116,085,552	\$ 159,075,000
Public Safety Facilities	\$ 237,131,561	\$ 85,400,000	\$ 151,731,561
Coastal Water Quality Upgrades	\$ 200,390,000	\$ 25,640,000	\$ 174,750,000
Parks & Recreational Facilities	\$ 91,370,716	\$ 30,300,000	\$ 61,070,716
Libraries & Health Facilities	\$ 32,671,689	\$ 8,000,000	\$ 24,671,689
TOTAL	\$ 836,724,518	\$ 265,425,552	\$ 571,298,966

Funding Gap

City of Long Beach
Infrastructure Investment Measure
\$571.3 million Funding Gap





Summary of Need

- Over \$1 Billion in infrastructure and facilities repairs and improvements have been identified, which has been pared down to critical needs totaling \$836 million
- Approximately \$265 million in alternate funding sources have been identified to address these needs over the next 10 years, resulting in an unmet need of \$571 million
- If this unmet need was addressed through a 10-year budgeted plan, approximately \$57 million annually would be required

This annual amount is more than the combined General Fund budgets for Parks, Recreation & Marine, Library Services, Health & Human Services, and the Code Enforcement Bureau



Ballot Measure



Funding Options Considered

- Sales Tax
- General Obligation (GO) Bonds
- Community Assessment Districts
- Parcel Tax



Why a Parcel Tax?

- More affordable than a GO bond

Assessed Value Single-Family Residence	Parcel Tax Rate	GO Bond Rate
\$200,000	\$120	\$174
\$300,000	\$120	\$261
\$400,000	\$120	\$348
\$500,000	\$120	\$435
\$600,000	\$120	\$522

- Generates more revenue than sales tax, and is more stable
- \$10 per month for residential units



Tax Rates

Effective July 1, 2009

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



Exemptions

- Seniors in Owner-Occupied Residences
- Disabled Residents
- Faith-Based Organizations
- Not-for-Profit Organizations

Comparable Property Tax Rates

CITY	GENERAL LEVY	SCHOOL DISTRICT	COMMUNITY COLLEGE	OTHER DEBT	GO BONDS	TOTAL
Oakland	1.00	0.080700	0.022300	0.022100	0.202330	1.327430
Los Angeles	1.00	0.110670	0.021466	0.042551	0.038051	1.212738
Fresno	1.00	--	--	0.208642	--	1.208642
San Jose	1.00	0.092800	0.009700	0.085700	--	1.188200
Top 10 Cities Average	1.00	--	--	--	--	1.147468
San Francisco	1.00	--	--	--	0.140000	1.140000
San Diego	1.00	0.060070	0.027400	0.010690	--	1.098160
Sacramento	1.00	0.089000	0.006600	--	--	1.095600
Anaheim	1.00	0.062850	0.015020	0.004500	--	1.082370
Santa Ana	1.00	0.035850	0.023730	0.004500	--	1.064080
Long Beach (Current)	1.00	0.034574	0.009700	0.004500	--	1.057461

Property Tax Rates in L.A. County

	City Name	Tax Rate		City Name	Tax Rate		City Name	Tax Rate
1	INDUSTRY	1.917559	30	CLAREMONT	1.113723	60	NORWALK	1.067469
2	COMPTON	1.533520	31	SOUTH PASADENA	1.110255	61	ROSEMEAD	1.063894
3	SAN FERNANDO	1.420836	32	ARCADIA	1.110185	62	AGOURA HILLS	1.062299
4	BELL	1.374190	33	MALIBU	1.107058	63	CALABASAS	1.062299
5	HUNTINGTON PARK	1.346636	34	DIAMOND BAR	1.106624	64	HIDDEN HILLS	1.062299
6	MONTEBELLO	1.277981	35	WALNUT	1.106624	65	WESTLAKE VILLAGE	1.062299
7	EL MONTE	1.277063	36	COVINA	1.100698	66	SANTA FE SPRINGS	1.061780
8	MAYWOOD	1.253560	37	IRWINDALE	1.100698	67	MANHATTAN BEACH	1.058004
9	INGLEWOOD	1.225890	38	SAN MARINO	1.100081	68	HAWAIIAN GARDENS	1.057461
10	MONROVIA	1.212393	39	LAWNDALE	1.099942	69	LAKEWOOD	1.057461
11	SAN GABRIEL	1.210707	40	PICO RIVERA	1.099474	70	SIGNAL HILL	1.057461
12	LYNWOOD	1.190830	41	WHITTIER	1.097595	71	LONG BEACH	1.057461
13	LOS ANGELES	1.174687	42	AZUSA	1.096528	72	BURBANK	1.055919
14	MONTEREY PARK	1.174570	43	SIERRA MADRE	1.094631	73	CULVER CITY	1.054041
15	PALMDALE	1.171128	44	DOWNEY	1.090898	74	LA VERNE	1.053574
16	BALDWIN PARK	1.154600	45	EL SEGUNDO	1.089182	75	SAN DIMAS	1.053574
17	CARSON	1.136636	46	GLENORA	1.087836	76	AVALON	1.052961
18	CUDAHY	1.136636	47	ALHAMBRA	1.083395	77	REDONDO BEACH	1.049396
19	GARDENA	1.136636	48	BRADBURY	1.081240	78	SOUTH EL MONTE	1.046388
20	LOMITA	1.136636	49	DUARTE	1.081240	79	PALOS VERDES ESTATES	1.039908
21	SOUTH GATE	1.136636	50	LA CANADA FLINTRIDGE	1.080515	80	RANCHO PALOS VERDES	1.039908
22	VERNON	1.136636	51	BEVERLY HILLS	1.080198	81	ROLLING HILLS	1.039908
23	WEST HOLLYWOOD	1.136636	52	BELL GARDENS	1.080106	82	ROLLING HILLS ESTATES	1.039908
24	POMONA	1.135788	53	COMMERCE	1.080106	83	ARTESIA	1.039551
25	HAWTHORNE	1.123364	54	PASADENA	1.079131	84	CERRITOS	1.039551
--	COUNTY AVERAGE	1.122463	55	GLENDALE	1.076004	85	HERMOSA BEACH	1.038106
26	PARAMOUNT	1.121406	56	WEST COVINA	1.073433	86	TORRANCE	1.037920
27	SANTA MONICA	1.120183	57	LA PUENTE	1.073029	87	LA HABRA HEIGHTS	1.032980
28	LANCASTER	1.114093	58	TEMPLE CITY	1.068358	88	BELLFLOWER	1.015207
29	SANTA CLARITA	1.114050	59	LA MIRADA	1.067469			



Special Tax Requirements

- Legally, the new tax cannot be used for any purpose other than uses outlined in the ordinance
- Segregated "Infrastructure Reinvestment Fund" will be created to monitor expenditures
- Expenditures will be audited annually by City Auditor
- Annual report to City Council due by January 1 each year



Bond Issuance

- 30-year bonds
- Effective July 1, 2009 (through June 30, 2044)
- Issued in 3 phases (anticipated in Years 1, 3 & 5)
- Projects start January 2009



Conclusion

- Failure to address the City's critical infrastructure needs today will result in an accelerated deterioration rate, which cannot be reversed with annual funding sources
- The City has not issued any bonds for infrastructure since the early 1960's

Investing in Our Future

The Long Beach Infrastructure Reinvestment Act

