

**CITY OF HUNTINGTON BEACH
LEGAL NOTICE**

**ORDINANCE NO. 4082
Adopted by the City Council on MARCH 21, 2016**

“ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HUNTINGTON BEACH, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF CITY OF HUNTINGTON BEACH COMMUNITY FACILITIES DISTRICT NO. 2000-1 (GRAND COAST RESORT) AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN HUNTINGTON BEACH COMMUNITY FACILITIES DISTRICT NO. 2000-1 (GRAND COAST RESORT)”

SYNOPSIS:

Community Facilities District 2000-1 (CFD / District) was formed in April 2000 in order to finance certain public improvements associated with the development of the Hyatt Resort. All of the property within the District is owned by the Successor Agency and leased to the PCH Beach Resort LLC on a 99-year ground lease. Each year the CFD levies a special tax pursuant to the Rate and Method on the leasehold interest of PCH Beach Resort to fund the annual debt service on Bonds issued by the CFD and to fund other necessary expenses. Due to the dissolution of the Successor Agency, the property is being sold to PCH Beach Resort LLC. Accordingly, the Rate and Method of the tax for the CFD was amended to tax the fee interest in the property rather than the leasehold interest. This is required in order for the District to comply with its existing covenants to bond owners. Without this change there would be no basis on which to levy the special taxes and the Bonds would go into default. Accordingly, the Rate and Method was changed.

This change does not affect the amount of taxes collected by the CFD, any of the debt service, or the fact that PCH Beach Resorts is ultimately liable for the payment of the special taxes for so long as it owns the property. It is merely a change to allow the special tax to be levied on the fee interest rather than the leasehold. The changes were contingent upon the sale of the property. PCH Beach Resort LLC has agreed to fund all of the expenses associated with these changes. Changes to the Rate and Method require a 2/3rds vote of the authorized electors. The Registrar of Voters confirmed that there were no registered voters within the District.

The City Council adopted this Ordinance that officially amended the Rate and Method for Community Facilities District No. 2000-1 (Grand Coast Resort).

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting held March 21, 2016 by the following roll call vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, Peterson

NOES: None

ABSTAIN: None

ABSENT: None

THE FULL TEXT OF THE ORDINANCE IS AVAILABLE IN THE CITY CLERK'S OFFICE.

This ordinance is effective 30 days after adoption.

**CITY OF HUNTINGTON BEACH
2000 MAIN STREET
HUNTINGTON BEACH, CA 92648
714-536-5227
JOAN L. FLYNN, CITY CLERK**