

Superstorm Sandy

Rebuilding Stronger, Smarter, Safer



Financial FOCUS (PART II)

PROTECTING OUR FISCAL & PHYSICAL RECOVERY

This administration is committed to continuing the City Council's goal of rebuilding stronger, smarter, safer and becoming a model of resiliency and sustainability. As we move forward, the City is seeking bond authorization financing for the cost of extraordinary expenses resulting from Superstorm Sandy recovery efforts. **Authorization is out of an Abundance of Caution and the City is borrowing no money at this time.**

Abundance of Caution - Authorizing Bond Ordinance

- The City received authorization from the NYS Assembly, NYS State Senate and Governor Cuomo to issue serial bonds to finance extraordinary storm-related expenses that are not reimbursable by State/Federal grants.
- At this time, there are no projects that are deemed non reimbursable. \$10M authorization is based on "best practices," in heeding a 10% margin of error.
- In compliance with Local Finance Law, this bond provides the City with additional funding, if needed.
- Authorization is out of an **Abundance of Caution**. This authorization protects taxpayers and the City's fiscal & physical recovery.

SUPERBLOCK JUDGMENT - CITY OF LONG BEACH VS. SUN NLF LIMITED PARTNERSHIP ET AL.,

The City is required to make IMMEDIATE payments on two judgments against the City issued by Justice Thomas A. Adams in 2012. The lawsuits were initiated nearly a decade ago and stem from the Superblock eminent domain purchasing process. Efforts to develop the property, which culminated in the City's acquisition of the property in 2006, date back to the 1970's. The Court of Appeals denied the City's application to appeal on this decade-old case involving the Superblock property.

What is the Fiscal Impact?

- The City is seeking bond authorization financing in the amount of \$20.5M to cover the cost of IMMEDIATE payment.
- The City will continue to work with its financial advisors to determine the best course of action. Debt service impact will be analyzed & addressed during the City's upcoming budget process.

CITY COUNCIL: LEN TORRES, PRESIDENT • FRAN ADELSON, VICE PRESIDENT • ANTHONY ERAMO

EILEEN J. GOGGIN • SCOTT J. MANDEL **CITY MANAGER:** JACK SCHNIRMAN

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