

**NOTICE OF PUBLIC HEARING ON THE INTENTION OF
THE CITY COUNCIL OF THE CITY OF HUNTINGTON
BEACH TO APPROVE AN AMENDMENT TO THE RATE
AND METHOD OF APPORTIONMENT OF SPECIAL TAX
FOR CITY OF HUNTINGTON BEACH COMMUNITY
FACILITIES DISTRICT NO. 2000-1 (GRAND COAST
RESORT)**

NOTICE IS HEREBY GIVEN that on January 19, 2016, the City Council (the “City Council”) of the City of Huntington Beach (the “City”), acting as the legislative body of City of Huntington Beach Community Facilities District No. 2000-1 (Grand Coast Resort) (the “District”), adopted its Resolution No. 2016-02 (the “Resolution of Intention”), declaring its intention to approve an Amended and Restated Rate and Method of Apportionment (the “Amended Rate and Method”) for the District pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the “Act”). Capitalized terms that are not otherwise defined herein shall have the respective meanings ascribed to them in the Resolution of Intention and the exhibits thereto.

The full text of the Amended Rate and Method is attached to the Resolution of Intention. The Amended Rate and Method proposes to amend and restate the existing rate and method of apportionment of special taxes for the District (the “Special Taxes”) to provide that the Special Taxes shall be levied on the fee interest in the property within the District as opposed to any leasehold interest in such property. The Amended Rate and Method shall not be effective and shall not apply to the levy of the Special Taxes until fee title to the property within the District is conveyed to a person or entity which is not an entity of the state, federal or any local government. The Amended Rate and Method does not propose to alter the amount of the Special Taxes and other than as described above, makes no other changes to the method of the levy of the Special Taxes.

The foregoing is only a summary of the Resolution of Intention which is on file with the City Clerk. The full text of the Resolution of Intention should be referred to by any interested party for greater detail.

PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT A PUBLIC HEARING WILL BE HELD ON MARCH 7, 2016, AT THE HOUR OF 6:00 P.M., OR AS SOON THEREAFTER AS SUCH MATTER CAN BE HEARD, AT A REGULAR MEETING OF THE CITY COUNCIL TO BE HELD AT CITY HALL, 2000 MAIN STREET, HUNTINGTON BEACH, CALIFORNIA, AT WHICH TIME THE CITY COUNCIL WILL HEAR ALL EVIDENCE AND TESTIMONY BY ALL INTERESTED PERSONS, PROPERTY OWNERS, VOTERS AND TAXPAYERS FOR OR AGAINST CERTAIN CHANGES TO COMMUNITY FACILITIES DISTRICT NO. 2000-1 OF THE CITY OF HUNTINGTON BEACH (GRAND COAST RESORT) INCLUDING THE APPROVAL OF THE AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES.

ALL PERSONS INTERESTED, INCLUDING PROPERTY OWNERS, TAXPAYERS AND REGISTERED VOTERS WITHIN THE DISTRICT, MAY APPEAR AT THE HEARING AND PRESENT EVIDENCE AND TESTIMONY ORALLY OR IN WRITING FOR OR AGAINST THE ISSUES DESCRIBED ABOVE. EACH INDIVIDUAL WISHING TO SPEAK WILL BE LIMITED TO A THREE MINUTE ORAL PRESENTATION. ANY PROTEST PERTAINING TO THE REGULARITY OR SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE PROPOSED ISSUES DESCRIBED ABOVE MUST BE IN WRITING AND SHALL CLEARLY STATE THE

IRREGULARITIES OR DEFECTS TO WHICH OBJECTION IS MADE, AND SHALL BE FILED WITH THE CITY CLERK ON OR BEFORE THE TIME SET FOR THE HEARING. IF THE OWNERS OF ONE-HALF (1/2) OR MORE OF THE AREA OF LAND WITHIN THE DISTRICT AND NOT EXEMPT FROM THE SPECIAL TAX FILE WRITTEN PROTESTS AGAINST ITEM (1) ABOVE, AND PROTESTS ARE NOT WITHDRAWN SO AS TO REDUCE THE VALUE OF THE PROTESTS TO LESS THAN A MAJORITY, THE CITY COUNCIL SHALL ABANDON THAT PORTION OF THE PROCEEDINGS PERTAINING TO SUCH ITEM AND NO FURTHER PROCEEDINGS WITH RESPECT TO SUCH ITEM SHALL BE TAKEN FOR A PERIOD OF ONE YEAR FROM THE DATE OF THE DETERMINATION BY THE CITY COUNCIL.

UNDER THE ACT, THE CITY COUNCIL MAY EITHER CONCLUDE THE PUBLIC HEARING ON MARCH 7, 2016 OR MAY CONTINUE THE PUBLIC HEARING TO A LATER DATE IF THE COMPLEXITY OF THE PROPOSED CHANGES OR THE NEED FOR PUBLIC PARTICIPATION REQUIRES ADDITIONAL TIME. IF THE CITY COUNCIL DETERMINES TO SUBMIT THE QUESTION OF THE APPROVAL OF THE CHANGES, AN ELECTION WILL BE HELD WITHIN THE DISTRICT TO APPROVE THE CHANGES. AT SUCH AN ELECTION, EACH LANDOWNER (AS DEFINED IN SECTION 3.56.070 OF THE MUNICIPAL CODE OF THE CITY) WITHIN THE DISTRICT SHALL BE ENTITLED TO CAST ONE VOTE FOR EACH ACRE OR PORTION THEREOF OWNED WITHIN THE DISTRICT. FOR THE PROPOSITION TO BE ADOPTED, TWO-THIRDS OF THE VOTES CAST ON THE PROPOSITION AT THE ELECTION MUST FAVOR PASSAGE.

INQUIRIES

The full text of the Resolution of Intention, which includes the proposed Amended Rate and Method may be obtained from the person specified below.

For any questions relating to the proceedings, or any particulars, please contact the following designated person:

Ms. Kellee Fritzal
Deputy Director of Economic Development
City of Huntington Beach
2000 Main Street
Huntington Beach, CA 92648
(714) 374-1519

DATED: February 11, 2016

/s/ Joan L. Flynn
CITY CLERK OF THE CITY OF HUNTINGTON
BEACH