



Meeting Date: 09/12/2006

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input checked="" type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Michael More Agenda Item No. 0-1

Reviewed By: City Manager MB City Attorney JS Finance AD Other (Specify) _____

DATE: September 6, 2006

TO: City Council

FROM: Michael More, Financial Services Manager Michael MB
Finance Department

SUBJECT: **Appropriation of Funds for Purchase of Police Department Annex at 3001 Sturgis Road**

RECOMMENDATION

That City Council approve the appropriation of funds in the amount of \$7,965,000 from the Civic Center Upgrade Project, to be replaced with proceeds from the sale of bonds, for the purchase of the Police Department Annex at 3001 Sturgis Road.

DISCUSSION

On December 20, 2005, City Council approved Agreement No. A-6614 for the purchase of property located at 3001 Sturgis Road (the "Property") to be used for a Police Department Annex. City Council also approved the appropriation of funds from the General Fund Operating Reserve for the acquisition of the Property. This appropriation was subsequently cancelled. On March 7, 2006, City Council approved a financing plan which consisted of the issuance of bonds to provide permanent financing for the Property.

The improvements being made on the Property by the current owner, pursuant to plans and specifications approved by City staff, are nearly complete. Staff expects to close escrow on the Property in the next few days.

In order to provide the necessary cash to acquire the Property, staff is requesting the reallocation of funds from the Civic Center Upgrade Project to the Police Annex Project. Concurrent with this request, staff also recommends that the Civic Center Upgrade Project be approved for a like amount of bond financing, equal to the acquisition cost of the Property. This swap of funding takes advantage of current cash on hand while consolidating the bond financing into one issuance, thereby lowering issuance costs. Debt service on the bonds associated with the Civic Center Upgrade Project will be paid from Growth Requirement Capital Fees.

Appropriation of Funds for Purchase of Police Department Annex at 3001 Sturgis Road
September 6, 2006
Page 2

FINANCIAL IMPACT

Funds in the amount of \$7,965,000 will be appropriated from the Civic Center Upgrade Project (No. 995801) to the Police Annex Project, City Account No. 301-2019-826-8602 (No. 062101). These funds will be replaced with proceeds from the sale of bonds.

MJM

Attachment #1 - Special Budget Appropriation

000082

CITY OF OXNARD

REQUEST FOR SPECIAL BUDGET APPROPRIATION

To the City Manager:

September 12 2006

Request is hereby made for an appropriation of total

\$ 7,965,000

Reason for appropriation: Acquisition of Police Annex at 3001 Sturgis Road

<u>FUND</u>	<u>DESCRIPTION/ACCOUNT</u>	<u>AMOUNT</u>
	Civic Center Upgrade Project 355-5851 (995801)	
Growth Capital Fees - Residential (355)	826-8605 - Improvements - Major Repairs	(6,360,000)
	Police Annex at 3001 Sturgis Road 355-2019- (062101)	
	826-8602 Buildings	<u>6,360,000</u>
	Net Estimated Change to Growth Capital Fee-Residential Fund	<u>-0-</u>
	Civic Center Upgrade Project 356-5851 (995801)	
Growth Capital Fees - Nonresidential (356)	826-8605 - Improvements - Major Repairs	(1,605,000)
	Police Annex at 3001 Sturgis Road 356-2019- (062101)	
	826-8602 Buildings	<u>1,605,000</u>
	Net Estimated Change to Growth Capital Fee-Nonresidential Fund	<u>-0-</u>
	Civic Center Upgrade Project 305-5851- (995801)	
Civic Center Improvement Project (305)	712-7951 - Proceeds from Sale of Bonds	(7,965,000)
	826-8605 - Improvements - Major Repairs	<u>7,965,000</u>
	Net Estimated Change to Civic Center Improvement Project Fund	<u>\$0</u>

A. Redner

Department Director

REQUIRES CITY COUNCIL APPROVAL

DIRECTOR OF FINANCE

SW *A. Redner*

Disposition	Approved _____
Transfer by Journal Voucher _____	Rejected _____
	City Manager _____