



Meeting Date: 12/19/06

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input 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 J. More MSJM Agenda Item No. I-5
 Reviewed By: City Manager XLB City Attorney MT Finance SW Other (Specify) _____

DATE: December 5, 2006

TO: City Council
City of Oxnard Financing Authority

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

SUBJECT: Substitution of Leased Assets Under Certificates of Participation, Series 1999

RECOMMENDATION

That City Council approve and authorize the Mayor to execute a Release and Substitution of Property Agreement associated with the City’s Certificates of Participation, Series 1999 (“1999 COPs”) to unencumber an undeveloped 3.324 acre portion of the Del Sol Soccer Stadium leased component, and to substitute a 5.552 acre parcel referred to as West Village Park as a leased asset under the 1999 COPs.

That the City of Oxnard Financing Authority approve and authorize the Chairman to execute a Release and Substitution of Property Agreement associated with the City’s Certificates of Participation, Series 1999 (“1999 COPs”) to unencumber an undeveloped 3.324 acre portion of the Del Sol Soccer Stadium leased component, and to substitute a 5.552 acre parcel referred to as West Village Park as a leased asset under the 1999 COPs.

DISCUSSION

The Housing Authority, in conjunction with its development of the project known as “The Courts”, requires approximately 3.324 acres of undeveloped property (Attachment No. 1) adjacent to the Del Sol Soccer Stadium for the development of The Courts. At a future meeting, staff will present to the Housing Authority Commissioners and the City Council an agreement providing for the exchange of the 3.324 acres of undeveloped land for a smaller parcel which will be developed with a synthetic surface soccer field and related amenities. This exchange is in furtherance of the development project which has been before the City Council and Housing Authority Commissioners known as “31-1 The Courts”. The exchange will be contingent upon the developer obtaining entitlements and financial commitments for The Courts project. The present substitution is a necessary predicate to the exchange, but does not bind the City or the Housing Authority in connection with that exchange.

The Del Sol Soccer Stadium along with the undeveloped 3.324 acres is pledged as a leased asset under

the City's 1999 COPs. To facilitate the development of The Courts, staff is requesting that the West Village Park (Attachment No. 2) be substituted as a leased asset for the 1999 COPs.

An independent appraisal has confirmed that the value of the West Village Park is at least equal to the value of the undeveloped 3.324 acres. Further, staff has obtained all approvals from the bond insurer (AMBAC) and rating agencies (Standard & Poor's and Moody's), and has complied with all other requirements of the Property Lease associated with the 1999 COPs to consummate this substitution.

FINANCIAL IMPACT

There is no financial impact associated with this substitution of property.

MJM

Attachment #1 - Map of 3.324 acres (an undeveloped portion of the Del Sol Soccer Stadium Parcel)
#2 - Map of West Village Park
#3 - Release and Substitution of Property Agreement

EXHIBIT B

LLA No. 06-310---

SCALE: 1"=100'

N88°54'58"W

377.61'

PARCEL B

112,161 SQ. FT.
2.575 AC.

680.47'

297.03'

297.03'

680.47'

377.61'

N88°54'58"W

100'

PARCEL A

144,787 SQ. FT.
3.324 AC.

N01°11'07"E

383.43'

383.43'

N01°11'07"E

377.61'

N88°54'58"W

LEGEND:



EXISTING LOT LINE TO BE ADJUSTED



PROPOSED LOT LINE PER THIS ADJUSTMENT

LEGAL DESCRIPTION:

PARCEL A:

A PORTION OF SUBDIVISION 32 OF THE RANCHO EL RIO DE SANTA CLARA O' LA COLONIA, IN THE CITY OF OXNARD, COUNTY OF VENTURA, STATE OF CALIFORNIA, AS SHOWN ON THE MAP FILED IN THE OFFICE OF THE COUNTY CLERK OF SAID COUNTY IN THAT CERTAIN ACTION ENTITLED "THOMAS A. SCOTT, ET AL., PLFFS. VS. RAFAEL GONZALES, ET AL., DEFTS.", DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF THE PARCEL OF LAND SHOWN AS "19.90 ACRES" ON THE MAP FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY IN BOOK 17, PAGE 25 OF RECORDS OF SURVEY, DISTANT EASTERLY 25.08 FEET FROM THE NORTHWESTERLY CORNER OF SAID PARCEL; THENCE, 1ST: EASTERLY ALONG SAID NORTHERLY LINE 384.11 FEET TO A POINT IN A LINE PARALLEL WITH AND DISTANT 409.19 FEET EASTERLY OF, MEASURED AT RIGHT ANGLES, FROM THE WESTERLY LINE OF SAID PARCEL; THENCE, 2ND: SOUTHERLY ALONG SAID PARALLEL LINE TO A POINT IN THE SOUTHERLY LINE OF SAID PARCEL; THENCE, 3RD: WESTERLY ALONG SAID SOUTHERLY LINE TO A POINT IN A LINE PARALLEL WITH AND DISTANT 25.08 FEET EASTERLY OF, MEASURED AT RIGHT ANGLES, FROM THE WESTERLY LINE OF SAID PARCEL; THENCE, 4TH: NORTHERLY ALONG SAID PARALLEL LINE TO THE POINT OF BEGINNING.

EXCEPT THE NORTHERLY 297.03 FEET THEREOF.

PARCEL B:

THE NORTHERLY 297.03 FEET OF THE HEREINABOVE DESCRIBED PARCEL.

I, WARREN D. SMITH, DO HEREBY STATE THAT THIS PLAT WAS PREPARED UNDER MY DIRECTION AND THAT THE MATHEMATICAL DATA SHOWN HEREON ARE CORRECT.

WARREN D. SMITH L.S. 4842
(exp. 9-30-08)



RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Oxnard
300 W. Third Street
Oxnard, CA 93030
Attention: Mike More

(Space Above for Recorder's Use)

(NO DOCUMENTARY TRANSFER TAX)

(This instrument is exempt pursuant to *Revenue and Taxation Code*
Section 11928 and *Government Code* Section 27383)

RELEASE AND SUBSTITUTION OF PROPERTY AGREEMENT

This **RELEASE AND SUBSTITUTION OF PROPERTY AGREEMENT**, dated as of December 1, 2006 (the "Substitution of Property Agreement"), is made by and among the CITY OF OXNARD, a municipal corporation of the State of California (the "City"), Wells Fargo Bank, N.A. ("Trustee") as successor to BNY Western Trust Company, as trustee under the Trust Agreement (hereinafter defined), and the CITY OF OXNARD FINANCING AUTHORITY, a joint exercise of powers authority (the "Authority").

WHEREAS, the City as lessor, and the Authority, as lessee, entered into a Property Lease dated as of December 1, 1998 and entitled "Property Lease Dated as of December 1, 1998 by and between City of Oxnard and City of Oxnard Financing Authority Relating to \$8,980,000 City of Oxnard Certificates of Participation, Series 1999 (the "Property Lease"), which was recorded in the Official Records of the County of Ventura, State of California, Document No. 99-013381, with respect to the lease by the City to the Authority of certain real property designated "Component No. 3 (Del Sol Soccer Stadium)" described in Exhibit A of the Property

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ATTACHMENT NO. 3
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Lease on pages A-3 and A-4 (the "Del Sol Soccer Stadium") together with other real property which is not the subject of this Substitution of Property Agreement; and

WHEREAS, the Del Sol Soccer Stadium was subleased by the Authority to the City pursuant to a Lease Agreement entitled "Lease Agreement dated as of December 1, 1998 by and between City of Oxnard Financing Authority, as Lessor and City of Oxnard, as Lessee Relating to \$8,980,000 City of Oxnard Certificates of Participation, Series 1999" (the "Lease Agreement") which was recorded in the Official Records of the County of Ventura, State of California, Document No. 99-013382 and is described in Exhibit A, Component 3 of the Lease Agreement; and

WHEREAS, the interests of the Authority under the Lease Agreement were assigned to the Trustee pursuant to a Trust Agreement dated as of December 1, 1998 by and among City of Oxnard Financing Authority and City of Oxnard and BNY Western Trust Company, as Trustee Relating to the \$8,980,000 City of Oxnard Certificates of Participation, Series 1999 (the "Trust Agreement"); and

WHEREAS, pursuant to Section 7 of the Property Lease, the City reserved the right to substitute real property owned by the City for any Component of the Property described in Exhibit A of the Property Lease; and

WHEREAS, the City desires to substitute out an undeveloped 3.324 acres of the Del Sol Soccer Stadium ("Parcel A") described as Parcel A in Exhibit A attached hereto and made a part hereof; and

WHEREAS, the City has complied with all conditions set forth in Section 7 of the Property Lease and desires to substitute for Parcel A of the Del Sol Soccer Stadium (described in

Exhibit A) the West Village Park (the "Substituted Property") described in Exhibit B attached hereto and made a part hereof;

NOW, THEREFORE, in consideration of the foregoing the parties hereto agree as follows:

1. The City, The Authority and the Trustee hereby agree that the City has complied with all conditions set forth in Section 7 of the Property Lease for the substitution of the Substituted Property for Parcel A in the Property Lease and in the Lease Agreement.

2. The Authority and the Trustee hereby release and quitclaim to the City any right, title and interest that the Authority and the Trustee have in Parcel A pursuant to the Property Lease, the Lease Agreement and the Trust Agreement.

3. Pursuant to the terms set forth in the Property Lease, the City hereby leases to the Authority the Substituted Property. Pursuant to the terms set forth in the Lease Agreement, the Authority subleases to the City the Substituted Property. Copies of this Substitution of Property Agreement shall be attached to the Property Lease and the Lease Agreement as addendums to the Property Lease and the Lease Agreement to evidence the substitution of the Substituted Property for Parcel A.

4. The City agrees to continue to pay the Base Rental (commencing on and after December 1, 2006) for the Substituted Property in the amounts and at the times set forth in the Base Rental Payment Schedule in Exhibit B-3 of the Lease Agreement. The City and the Authority agree that said Base Rental represents the fair rental value of the Del Sol Soccer Stadium (excluding Parcel A) and the Substituted Property for the remaining term of the Lease Agreement.

5. The Authority confirms the assignment of the Base Rental Payments for the Substituted Property to the Trustee pursuant to the Trust Agreement.

IN WITNESS WHEREOF, the parties hereto have executed, or caused their duly authorized representatives to execute, this Substitution of Property Agreement as of the date first above written.

CITY OF OXNARD

By: _____
Dr. Thomas E. Holden, Mayor

ATTEST:

By: Daniel Martinez, City Clerk

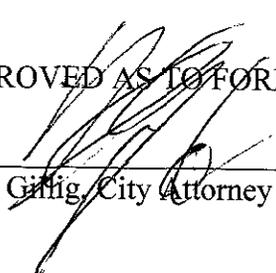
CITY OF OXNARD FINANCING AUTHORITY

By: _____
Dr. Thomas E. Holden, Chairman

ATTEST:

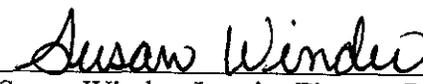
By: Daniel Martinez, City Clerk and Authority Secretary

APPROVED AS TO FORM:



Gary Giffig, City Attorney and Special Counsel to the Authority

APPROVED AS TO CONTENT:



Susan Winder, Interim Finance Director and Acting Authority Controller

WELLS FARGO BANK, N.A. (Successor to BNY Western Trust Company), as Trustee

By: _____
Authorized Signatory

EXHIBIT A

UNDEVELOPED 3.324 ACRES OF THE DEL SOL SOCCER STADIUM

PARCEL A:

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2ND: SOUTHERLY ALONG SAID PARALLEL LINE TO A POINT IN THE SOUTHERLY LINE OF SAID PARCEL; THENCE,

3RD: WESTERLY ALONG SAID SOUTHERLY LINE TO A POINT IN A LINE PARALLEL WITH AND DISTANT 25.08 FEET EASTERLY OF, MEASURED AT RIGHT ANGLES, FROM THE WESTERLY LINE OF SAID PARCEL; THENCE,

4TH: NORTHERLY ALONG SAID PARALLEL LINE TO THE POINT OF BEGINNING.

EXCEPT THE NORTHERLY 297.03 FEET THEREOF.

EXHIBIT B

WEST VILLAGE PARK

PARCEL B OF THE MAP FILED IN BOOK 56, PAGES 67 AND 68 OF PARCEL MAPS, IN
THE OFFICE OF THE COUNTY RECORDER OF VENTURA COUNTY, CALIFORNIA.

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CERTIFICATE OF ACCEPTANCE

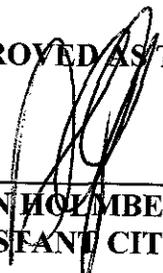
This is to certify that the interest in real property conveyed by the Substitution of Property Agreement dated as of December 1, 2006 by and between the City of Oxnard, a municipal corporation and governmental agency, and the City of Oxnard Financing Authority, is hereby accepted, and pursuant to City Council Resolution 1939, recorded in book 1591, Official Records of Ventura County at page 273, the City Council consents to recordation thereof by its duly authorized officer.

DATED: _____

CITY OF OXNARD

By: _____
Dr. Thomas E. Holden, Mayor

APPROVED AS TO FORM:



ALAN HOLMBERG
ASSISTANT CITY ATTORNEY

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