



Meeting Date: 06/13/2006

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: Kymberly R. Horner *KH* Agenda Item No. 0-2

Reviewed By: City Manager *[Signature]* City Attorney *[Signature]* Finance *[Signature]* Other (Specify) _____

DATE: June 6, 2006

TO: Community Development Commission

FROM: Curtis P. Cannon, Community Development Director *Curtis P. Cannon*
Community Development Department

SUBJECT: **Midyear Budget Request for the Community Development Commission**

RECOMMENDATION

That Community Development Commission (CDC):

1. Approve the appropriation of \$35,000 from the Southwinds Project Area fund balance for payment to the Oxnard Union High School District Adult Education Campus.
2. Approve the appropriation of \$819,746 to the County of Ventura for remittance to the State Education Revenue Augmentation Fund (ERAF), from the fund balances of the following Project Areas: Historic Enhancement Revitalization of Oxnard (HERO) \$500,000, Ormond Beach \$200,000 and Southwinds \$119,746.
3. Approve the appropriation of \$105,000 from the Southwinds Project Area fund balance for tax increment payments to the County of Ventura as required by the 1989 County of Ventura vs. Oxnard Redevelopment Agency Settlement Agreement.

DISCUSSION

Oxnard Union High School District Adult Education Campus

The Budget for Fiscal Years 2005-2007 includes an appropriation of \$30,000.00 for the improvement of the Oxnard Union High School District (the District) Adult Education Campus located in the Southwinds Project Area at 527/531 West Hueneme Road. The approved funding was appropriated from the Housing Set-Aside Fund. Special legal counsel has determined that the proposed use of the housing set-aside funds is not a permitted use. Appropriating the funds from the Southwinds fund balance will allow the proposed project to continue moving forward. An additional \$5,000.00 of funding is also being requested by the District for exterior security lighting on the building and in the parking lot of the Adult School campus. The District is investing \$90,783.00 into the project and they are requesting the CDC invest \$35,000.00, for a total project cost of \$124,063.00.

Education Revenue Augmentation Fund

On November 10, 2005, California redevelopment agencies were notified by the State of California Department of Finance to shift \$250 million in property tax revenues into the State ERAF account to financially assist K-12 schools and community colleges. The State required redevelopment agencies to submit payment to their respective County Auditor's office on or before May 10, 2006. The FY 2005-2006 ERAF requirement for the CDC was \$819,745.92. The payment was made to the Ventura County Auditor-Controller's Office on April 6, 2006. On February 7, 2006 the Community Development Director submitted a staff report to the CDC regarding the FY 2005-2006 ERAF obligation and identified the fund balances of HERO (\$500,000), Ormond Beach (\$200,000) and Southwinds (\$119,746) as the accounts from which the obligation should be paid.

Southwinds Settlement Agreement Pass-Through Payment

In 1985 the Oxnard Redevelopment Agency commenced adoption procedures to form a new project area in the Southwinds neighborhood. The County of Ventura filed suit against the Southwinds Redevelopment Plan stating the Southwinds Redevelopment Plan failed to meet requirements related to California Environmental Quality Act and Regulations (CEQUA) and failed to meet specific elements of the General Plan. An agreement was reached and a Settlement Agreement was executed in 1989. The parties agreed to the following tax increment sharing terms:

- (a) From \$0 to \$853,000 to the Oxnard Redevelopment Agency.
- (b) From \$853,001 to \$1,331,000 to the County and the Water District to be divided between them in proportion to the ratio of the tax dollars received by them in the 1984-85 base year.
- (c) All money in excess of \$1,331,000 to be allocated between the Parties with 64.1% going to the Oxnard Redevelopment Agency, 34.7% going to the County of Ventura and 1.2% giving to the Water District.

In FY 2004-2005 the Southwinds Project Area grossed \$1,017,982.89 in tax increment revenues. The County withheld \$60,767.20, and an additional \$104,215.69 is owed to the County before the close of the fiscal year. Funds are available in the Project Area's fund balance for this payment.

FINANCIAL IMPACT

The funds requested will be appropriated to the following accounts: 403-8620-827-8603, 403-8401-862-8487, 403-8409-511-7008, 404-8501-862-8487, and 405-8701-862-8487. There are sufficient funds in the project area fund balances to support this request.

KH/el

Attachment #1 - Special Budget Appropriation

000134

84

CITY OF OXNARD

REQUEST FOR SPECIAL BUDGET APPROPRIATION

To the City Manager:

June 1, 2006

Request is hereby made for an appropriation of total \$ 959,746

Reason for appropriation: Funding for the ERAF payments, the Southwinds increment payments to the County of Ventura and the Oxnard High School District Adult Education Campus.

<u>FUND</u>	<u>DESCRIPTION/ACCOUNT</u>	<u>AMOUNT</u>
Southwinds (403)	Southwinds Bldg Rev 403-8620- (068602)	
	827-8603 - Building-Major Repair	35,000
	Southwinds Operations 403-8401 -	
	862-8487 - RDA ERAF Payments	119,746
	403-8409 - 511-7008 - Increment Payments	<u>105,000</u>
	Net Estimated Change to Southwinds Fund Balance	<u>(259,746)</u>
Ormond Beach (404)	Ormond Beach Operations 404-8501 -	
	862-8487 - RDA ERAF Payments	<u>200,000</u>
	Net Estimated Change to Ormond Beach Fund Balance	<u>(200,000)</u>
HERO (405)	HERO Operations 405-8701 -	
	862-8487 - RDA ERAF Payments	<u>500,000</u>
	Net Estimated Change to HERO Fund Balance	<u>(500,000)</u>
Housing Set-Aside (441)	Southwinds Bldg Rev 441-8620- (068602)	
	827-8603 - Building-Major Repair	<u>(30,000)</u>
	Net Estimated Change to Housing Set-Aside Fund Balance	<u>30,000</u>

Curtis Cannon
Manager

REQUIRES CDC APPROVAL

DIRECTOR OF FINANCE

SW Mike

Disposition

Approved _____

Rejected _____

Transfer by Journal Voucher _____

000135

ATTACHMENT # 1
City Manager
PAGE 1 OF 1