



Meeting Date: 11/25/08

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: Ernest Whitaker *EW* Agenda Item No. I-4  
 Reviewed By: City Manager *[Signature]* City Attorney *MA* Finance *JC* Other (Specify) Planning *CW*

**DATE:** November 13, 2008  
**TO:** City Council  
**FROM:** William E. Wilkins, Housing Director  
 Housing Department  
**SUBJECT:** Agreement To Pay Deferred Development Fees

**RECOMMENDATION**

That City Council approve and authorize the Mayor to execute an Amendment to Agreement (A-6822) with Sycamore Senior Apartments, LP for the deferral of approximately \$642,000 of development fees for the Sycamore Senior Apartments project for a 12 month period of time.

**DISCUSSION**

City Council authorized the execution of an agreement for the deferral of development fees for Sycamore Senior Apartments on January 9, 2007. This agreement was in accordance with Ordinance No. 2590 which authorized the deferral of development fees for affordable housing projects upon the request of the developer. Sycamore Senior Apartments will provide 228 low and very low income senior apartments.

Sycamore Senior Apartments has once again requested a further deferment of development fees for up to 12 months (November 25, 2009.) In return for the continued deferment of fees and for allowing the electrical service permit(s) to be issued, the City has received the following guarantees:

1. The City will be provided a first position Deed of Trust on 700 Doris Avenue as security for the repayment of the fees.
2. The City will be paid interest on the deferred fees at the Local Agency Investment Fund (LAIF) rate plus 1% commencing on the date of the issuance of the electrical service permit.
3. All taxes on 700 Doris Avenue shall be kept current during the deferment period of the Agreement.

The total amount of the deferred fees is \$641,667.

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## **FINANCIAL IMPACT**

The Amendment delays the payment of the deferred fees for up to 12 additional months. This delay is mitigated by the requirement on the developer to pay interest on the fees at the LAIF rate plus 1% commencing on the date the electrical service permit is issued. It is the developer's intent to pay the deferred fees as soon as the close of escrow on permanent financing.

(EW/an)

Attachment #1 - Amended Agreement To Pay Deferred Fees

AMENDMENT NO. 1 TO  
AGREEMENT TO PAY DEFERRED FEES  
FOR DEVELOPMENT OF AFFORDABLE HOUSING PROJECT

This Amendment to Agreement No. A-6822 to Pay Deferred Fees for Development of Affordable Housing Project (the "Agreement") is entered into in the County of Ventura, State of California, this 25<sup>TH</sup> day of November 2008, by and between the City of Oxnard, a municipal corporation of the State of California ("City"), and Sycamore Senior Apartments, LP ("Developer").

WHEREAS, the City Council adopted Ordinance No. 2590, in order to encourage the construction of affordable housing by deferring development fees for a period of time; and

WHEREAS, Developer has received City approval to develop an affordable housing project ("the project") located and described as follows: Sycamore Village, 333 North F Street, Oxnard, CA 93030, which consists of 228 low and very low income units; and

WHEREAS, City and Developer deferred fees for the project pursuant to Agreement No. 6822; and

WHEREAS, as of November 25, 2008, the total amount of deferred fees is \$641,667; and

WHEREAS, Developer has requested that City further defer development fees for up to 12 additional months for the project pursuant to Ordinance No. 2590; and

WHEREAS, Developer offers as security a first trust deed on an undeveloped 1.02 acre parcel located at 700 Doris Street; and

WHEREAS, the Development Services Director has determined the 700 Doris Street parcel is of sufficient value to secure the deferred fees.

NOW THEREFORE, City and Development Agree:

- 1.) Developer agrees to provide City with a Deed of Trust encumbering 700 Doris Street as security for the repayment of the Fees.
- 2.) The fees referred to in this Amendment are the fees deferred by Agreement A-6822, in the total sum of \$641,667.
- 3.) All delinquent taxes on the 700 Doris Avenue parcel (APN 200-291-325) shall be cured prior to acceptance of the deed of trust as security for deferral of fees, and evidence provided to that effect prior to the scheduled City Council meeting.
- 4.) All property taxes will be kept current on the 700 Doris Avenue parcel during the deferment period of this Agreement.
- 5.) Sycamore Seniors Apartments, L.P. (or successor interests) agrees to pay the City interest on the deferred fee at the Local Agency Investment Fund (LAIF) rate plus 1% per annum commencing on November 25, 2008 through the date of payment. Currently, the LAIF is approximately two and one half percent (2.5%).

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- 6.) The deed of trust in favor of the City of Oxnard will have a first lien position on 700 Doris Street. Developer shall demonstrate such lien position by evidence satisfactory to the City on or before November 25, 2008.
- 7.) This Agreement shall be for a period of 12 months. All principal, interest and other charges shall be paid on or before November 25, 2009.

CITY OF OXNARD

SYCAMORE SENIOR APARTMENTS, LP

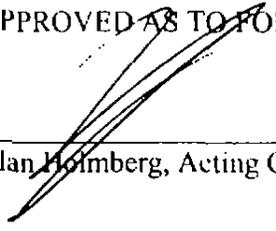
\_\_\_\_\_  
Dr. Thomas E. Holden, Mayor

\_\_\_\_\_  
Kevin Pickett, President  
Palms Residential Care Facility, Inc., its  
managing general partner

ATTEST:

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Daniel Martinez, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Alan Holmberg, Acting City Attorney

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