



Meeting Date: 02/15/11

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: Curtis P. Cannon

Agenda Item No. **I-4**

Reviewed By: City Manager *[Signature]*

City Attorney *[Signature]*

Finance *[Signature]*

Other (Specify) NA

DATE: February 9, 2011

TO: Community Development Commission

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

Curtis P. Cannon

SUBJECT: Request for Approval of Exclusive Negotiation Agreement for a Downtown Marketplace - Agreement No. 5292-10-CD

RECOMMENDATION

That Community Development Commission ("CDC"):

1. Approve an Exclusive Negotiation Agreement No. 5292-10-CD (the "Agreement") with a prospective developer, Mark Rivers of Sonoma-Pacific MarketHall Management, LLC ("Developer") for a marketplace in downtown Oxnard.
2. Approve a Special Budget Appropriation in the amount of \$30,000 from the Central City Revitalization Project Area ("CCRP") for payment to Developer for costs incurred in performing certain due diligence studies.
3. Approve payments per the Agreement of \$30,000 to Developer for the cost of due diligence expenses to be carried out during the period of 90 days after effective date of Agreement.

DISCUSSION

The development of a marketplace in downtown Oxnard has been considered to be a potential centerpiece project for several years, and was recently reaffirmed in importance in the recommendations contained in the recent City of Oxnard Branding Report prepared and presented by Mr. Roger Brooks of Destination Development International.

Staff has recently been in discussions with Developer, who is currently developing a marketplace project in Santa Rosa, California. Developer expressed interest in creating a similar project in Oxnard and submitted a proposal to CDC that requests exclusive negotiation rights and CDC funding of a certain due diligence expenses. The proposed Agreement would specify a 90-day period during which time: (1) both parties will deal only with the other in evaluation of marketplace project; and (2)

Developer will prepare studies that will include market research, location evaluation, basic site, parking and building schematics, an operations plan, and an economic analysis. At the end of the 90-day period, Developer will present its findings to the CDC. The CDC's review of the findings may form the basis of discussions between the parties regarding mutual interest in proceeding further with the project. However, the Agreement does not grant Developer any rights or standing beyond the 90-day Agreement period.

The CDC staff recommends negotiations with Developer due to the highly specialized nature of the proposed project and the background, qualifications, and experience of Developer. No additional proposals or vendors were considered for the 90-day agreement.

FINANCIAL IMPACT

Funds are available in the CCRP for this request. If approved, the attached Special Budget Appropriation will appropriate funds from the CCRP Fund Balance to Account Number 401-8201-862-8209. Approval of this request will have no impact to the City's General Fund.

CPC:mgh

Attachment #1 - Agreement with Sonoma-Pacific MarketHall Management, LLC
#2 - Special Budget Appropriation

Note: The Agreement with Sonoma-Pacific MarketHall Management, LLC has been provided to the CDC. Copies are available for review at the Help Desk (second floor) in the main Library after 9:00 a.m. on the Monday prior to the Council meeting and at the City Clerk's Office after 9:00 a.m. on Monday.

CITY OF OXNARD

REQUEST FOR SPECIAL BUDGET APPROPRIATION

To the City Manager:

February 15, 2011

Request is hereby made for an appropriation of total

\$ 30,000

Reason for appropriation:

Appropriation of \$30,000 from Central City Revitalization Project Area ("CCRP") Fund Balance to Sonoma-Pacific MarketHall Management, LLC for costs incurred in performing certain due diligence studies

<u>FUND</u>	<u>DESCRIPTION/ACCOUNT</u>	<u>AMOUNT</u>
CDC - CCRP- FUND 401	CCRP 401-8201	
		30,000
	401-8201-862-8209	
	Net Estimated Change to CCRP (401)	<u>(30,000)</u>

Curtis D. Cannon

 Manager

REQUIRES CITY COUNCIL APPROVAL

CHIEF FINANCIAL OFFICER

James Cameron

Disposition

Approved _____
 Rejected _____

Transfer by Journal Voucher

City Manager