



Meeting Date: 03/22/2011

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 More *MM* Agenda Item No. **I-9**

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

**DATE:** March 8, 2011

**TO:** City Council  
City of Oxnard Financing Authority

**FROM:** James Cameron, Chief Financial Officer *James Cameron*  
Finance Department

**SUBJECT:** Refinancing of City of Oxnard Financing Authority Bond Anticipation Notes, Series 2010

**RECOMMENDATION**

That City Council approve a plan to pay off the City of Oxnard Financing Authority Bond Anticipation Notes, Series 2010 ("2010 BANs") with a private placement of 3-to-5 year tax exempt bonds.

That the City of Oxnard Financing Authority approve a plan to pay off its 2010 BANs with a private placement of 3-to-5 year tax exempt bonds.

**DISCUSSION**

On August 4, 2009, the City of Oxnard Financing Authority ("COFA") issued its \$20,005,000 Bond Anticipation Notes, Series 2009 (the "2009 BANs"). The proceeds of the 2009 BANs, which had a maturity of 1 year, were used to reacquire approximately 14 acres of property adjacent to the River Ridge Golf Course from Casden Oxnard LLC (the "Property").

On June 16, 2010, the City of Oxnard Financing Authority issued its \$20,520,000 Bond Anticipation Notes, Series 2010 ("2010 BANs") to refinance the outstanding 2009 BANs. Under the Trust Agreement of the 2010 BANs, the City and COFA covenanted to approve a plan to pay off the 2010 BANs, such plan to be approved no later than 90 days before the maturity date of June 25, 2011. The recommended action meets this requirement. The payoff of the 2010 BANs can include but is not limited to: cash on hand, a new BANs issuance, a long-term lease revenue bond issuance, or a short term bond such as what is being proposed (the "Take-Out Moneys", as defined in the Trust Agreement).

Staff is currently in negotiations with several banks concerning a private placement of tax-exempt bonds, which would constitute the "Take-Out Moneys". The proposed bonds would provide for interest-only payments over a term of up to 5 years. The security for the bonds would be lease payments on assets of the General Fund, expected to be the Permit Center and Fire Administration Building. Upon preparation of bond documents and finalization of terms, staff will return for approval of the bond financing.

### **FINANCIAL IMPACT**

There is no immediate financial impact association with the recommended action. Staff will present loan documents for City Council approval prior to the maturity of the 2010 BANs.