Meeting Date: 06/21/2011

ACTION	TYPE OF ITEM
☐ Approved Recommendation	☐ Info/Consent
☐ Ord. No(s). _____	☐ Report
☐ Res. No(s). _____	☑ Public Hearing
☐ Other _____	☐ Other _____

Prepared By: Michael More Agenda Item No. L-1

Reviewed By: City Manager City Attorney Finance Other *(Specify)*

DATE: June 13, 2011

TO: City Council
Community Development Commission
City of Oxnard Financing Authority

FROM: James Cameron, Chief Financial Officer
Finance Department

Curtis Cannon, Community Development Director
Community Development Department

SUBJECT: **City of Oxnard Financing Authority Tax Allocation Bonds, Series 2011 (Campus Park Project)**

RECOMMENDATION

That City Council:

1. Conduct a joint public hearing with the Community Development Commission concerning the use of tax increment revenues for the purpose of issuing bonded indebtedness to construct the Campus Park Project.

2. Adopt a resolution making certain determinations and findings pursuant to Health and Safety Code Section 33445 regarding the funding by the Oxnard Community Development Commission of the cost of certain publicly owned facilities, agreeing to administer and expend funds on behalf of the Commission, approving the sale, issuance, and delivery by the Oxnard Community Development Commission of not more than $19,000,000 in principal amount of Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2011, and making certain determinations relating thereto.

That the Community Development Commission:

1. Conduct a joint public hearing with the City Council concerning the use of tax increment revenues for the purpose of issuing bonded indebtedness to construct the Campus Park Project.

2. Conduct a public hearing for the purpose of considering the proposed issuance and sale by the

Commission of its Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2011, in an aggregate principal amount not to exceed $19,000,000 (the "Bonds"), for the purpose of providing funds to the Commission to finance redevelopment activities within the Historic Enhancement and Revitalization of Oxnard (HERO) Project Area (the "Project Area").

3. Adopt a resolution making certain determinations and findings pursuant to Health and Safety Code Section 33445 regarding the funding by the Oxnard Community Development Commission of the cost of certain publicly owned facilities, authorizing the sale, issuance, and delivery of not more than $19,000,000 in principal amount of Oxnard Community Development Commission Historic Enhancement And Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2011, and approving certain documents and authorizing certain actions in connection therewith.

That the City of Oxnard Financing Authority adopt a resolution authorizing the execution and delivery of a contract of purchase with respect to Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2011, and authorizing certain actions in connection therewith.

DISCUSSION

On July 27, 2011 City Council approved the allocation of Measure 'O' funding in the amount of $850,000 to fund the design of Phases I & II of Campus Park. On that same date, City Council approved a contract with RJM Design Group, Inc. for architectural design services related to Campus Park Phases I & II. Design is nearly complete, and staff expects to solicit bids by early 2012. A construction contract would then be awarded by mid-2012, with completion estimated within 18 months.

Campus Park is an approximate 30-acre site located at 937 West Fifth Street, and is the former Oxnard High School. The City purchased the property from the Oxnard Union High School District in 2002.

Phase I of Campus Park consists of the primary development of Campus Park, including new soccer fields, baseball fields, utility upgrades, parking lot, a tot lot, and the addition of a snack bar and restrooms. The estimated cost of Phase I of Campus Park is $5.2 million, of which $850,000 has already been funded via Measure 'O' for architectural design.

Phase II of Campus Park consists of the addition of a skate park, basketball court, covered recreation area, restroom, soccer/track complex, fitness area, parking lot, landscaping, and a maintenance area.

The total estimated cost of Campus Park Phases I & II improvements to be funded via the 2011 HERO Bonds is $16,598,000. Staff is seeking approval for the issuance of tax allocation bonds secured by tax increment in the HERO Project Area in an amount not to exceed $19,000,000. The bonds will be issued as 30-year bonds with estimated payments of $1,450,000 per year. The attached Fiscal Consultant Report (Attachment No. 7) demonstrates that there is sufficient tax increment within the HERO Project Area to cover this additional annual payment (plus existing debt payments) by a factor of at least 1.5 times.

On June 15, 2011 the California State Legislators passed two bills that will potentially eliminate or restrict the activity of redevelopment agencies throughout California. Staff and the underwriting team will provide an update and address these issues arising from the legislation at the June 21, 2011 Public Hearing.

The attached City Resolution (Attachment No. 1) accomplishes the following:

- Determines that the construction of the Facility will assist in the elimination of blight in the HERO Project Area
- Determines that the issuance of the Bonds to construct Campus Park constitutes a redevelopment activity as defined in Section 33007 of the Health and Safety Code
- Authorizes and directs the Mayor, Mayor Pro-Tem, City Clerk, and Chief Financial Officer to execute any and all documents necessary to assist the Commission in the issuance of the Bonds

The attached Commission Resolution (Attachment No. 2) accomplishes the following:

- Determines that the issuance of the Bonds to construct the Facility constitutes a redevelopment activity that will provide 'significant public benefits' as described in Government Code section 6586
- Approves the form of the following documents:
  - Indenture (Attachment No. 4)
  - Purchase Contract (Attachment No. 5)
  - Preliminary Official Statement (Attachment No. 6)
  - Continuing Disclosure Agreement (Appendix E to Attachment No. 6)
- Appoints Wells Fargo Bank N.A., as Trustee
- Authorizes and directs the Chairman, Vice Chairman, Secretary, and Chief Financial Officer to execute any and all documents necessary to carry out the transactions contemplated by the Indenture, Purchase Contract, and Continuing Disclosure Agreement.

The attached Financing Authority Resolution (Attachment No. 3) accomplishes the following:

- Approves the form of the following documents:
  - Purchase Contract (Attachment No. 5)
  - Preliminary Official Statement (Attachment No. 6)
- Authorizes and directs the Chairman, Vice Chairman, Secretary, and Controller to execute any and all documents necessary to carry out the transactions contemplated by the Purchase Contract

FINANCIAL IMPACT

There is no financial impact to the General Fund associated with the recommended actions. Tax increment from the HERO Project Area will secure the payment on the Bonds, estimated at $1,450,000 per year for 30 years, beginning in Fiscal Year 2011-12. The estimated debt service expenditure is included in the proposed FY 11-12/12-13 Budget. Additionally, the appropriation for the receipt of the bond proceeds will occur with the adoption of the 2011-12 Capital Improvement Program Budget.

Attachments

#1 - City Resolution
#2 - Commission Resolution
#3 - Financing Authority Resolution
#4 - Indenture
#5 - Purchase Contract
#6 - Preliminary Official Statement
#7 - Fiscal Consultant's Report

Note: Attachments No. 4, 5, 6, and 7 have been provided to the City Council. Copies are available for review at the Circulation Desk in the Library after 6:00 p.m. on the Thursday prior to the Council meeting and at the City Clerk's Office after 8:00 a.m. on Friday.

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD MAKING CERTAIN DETERMINATIONS AND FINDINGS PURSUANT TO HEALTH AND SAFETY CODE SECTION 33445 REGARDING THE FUNDING BY THE OXNARD COMMUNITY DEVELOPMENT COMMISSION OF THE COST OF CERTAIN PUBLICLY OWNED FACILITIES, AGREEING TO ADMINISTER AND EXPEND FUNDS ON BEHALF OF SAID COMMISSION, APPROVING THE SALE, ISSUANCE, AND DELIVERY BY THE OXNARD COMMUNITY DEVELOPMENT COMMISSION OF NOT MORE THAN $19,000,000 IN PRINCIPAL AMOUNT OF OXNARD COMMUNITY DEVELOPMENT COMMISSION HISTORIC ENHANCEMENT AND REVITALIZATION OF OXNARD (HERO) PROJECT AREA TAX ALLOCATION BONDS, SERIES 2011, AND MAKING CERTAIN DETERMINATIONS RELATING THERETO

WHEREAS, the Oxnard Community Development Commission (the "Commission") is a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 and Part 1.7 of Division 24 of the Health and Safety Code of the State (the "Redevelopment Law"), including the power to issue bonds for any of its corporate purposes; and

WHEREAS, the Redevelopment Agency of the City of Oxnard (the "Agency") is the predecessor-in-interest to the Commission; and

WHEREAS, on February 7, 1995, the Commission became the successor-in-interest to the Agency; and

WHEREAS, on April 7, 1998, the City Council of the City of Oxnard (the "City Council") and the Commission approved the original redevelopment plan (the "Original Redevelopment Plan") for the Historic Enhancement and Revitalization of Oxnard (HERO) Redevelopment Project Area (the "Original Project Area"); on February 3, 2004, the City Council and the Commission amended the Original Redevelopment Plan; and, on March 23, 2004, the City Council and the Commission approved the Amended and Restated Redevelopment Plan for the HERO Project Area (the "Redevelopment Plan") and approved the addition of 84.52 acres of territory to the Original Project Area (the "Added Area"; the Original Project Area and the Added Area collectively comprise the "Project Area"); and

WHEREAS, the Redevelopment Plan is currently effective (i) with respect to the Original Project Area, until April 7, 2029, which date is 31 years after the date of adoption of the Original Redevelopment Plan, and (ii) with respect to the Added Area, until March 23, 2034, which date is 30 years after the date of adoption of the Redevelopment Plan; and

WHEREAS, pursuant to the Redevelopment Plan, (i) the last date on which the Commission may repay indebtedness with tax increment generated within the Original Project

Area is April 7, 2044, which date is 46 years after the date of adoption of the Original Redevelopment Plan, and (ii) the last date on which the Commission may repay indebtedness with tax increment generated within the Added Area is March 23, 2049, which date is 45 years after the date of adoption of the Redevelopment Plan; and

WHEREAS, the Commission has authorized the issuance of not more than $19,000,000 in aggregate principal amount of its Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2011 (the "Bonds"), for the purpose of providing funds to (1) finance redevelopment activities within the Project Area, which redevelopment activities include, without limitation, the proposed acquisition, construction, and improvement of Phases I and II of the Campus Park development project, an approximately 30 acre City-owned park located within the boundaries of the Project Area and the City of Oxnard (the "City") at 937 West Fifth Street, inclusive of appurtenances and appurtenant work (the "Project"), (2) fund a reserve fund, and (3) pay certain expenses of the Commission relating to the issuance of the Bonds; and

WHEREAS, debt service on the Bonds shall be payable from tax increment revenues received by the Commission with respect to the Project Area; and

WHEREAS, due to expertise of City staff, the Commission desires for the City to administer and expend, on behalf of the Commission, the Commission's funds in connection with the installation and construction of the Project; and

WHEREAS, the City is agreeable to administering and expending, on behalf of the Commission, the Commission's funds in connection with the installation and construction of the Project; and

WHEREAS, it is in the best interests of the City and for the common benefit of residents, employees, business tenants, and property owners within the Project Area and the City as a whole for the Project to be installed and constructed; and

WHEREAS, pursuant to Section 33445 of the Redevelopment Law, the Commission may, with the consent of the City Council, pay all or a part of the cost of the installation and construction of the Project if the City Council and the Commission make certain determinations set forth in such Section 33445; and

WHEREAS, pursuant to Section 33679 of the Redevelopment Law, the Commission may commit tax increment revenues to pay all or a portion of the costs relating to the installation and construction of the Project, subject to a public hearing by the City Council and the preparation of a summary that includes the information set forth in such Section 33679; and

WHEREAS, on the date hereof, the City Council and the Commission held a joint public hearing in accordance with Section 33679 of the Redevelopment Law, which public hearing was held at the City Council Chambers, 305 West Third Street, Oxnard, California 93030; and

WHEREAS, in accordance with Section 33679 of the Redevelopment Law, notice of such public hearing was published on two successive weeks prior to the public hearing in the "Ventura County Star," a newspaper of general circulation in the City; and

WHEREAS, the Commission has prepared and made available to the City Council, and for public inspection and copying commencing no later than at the time of the first publication of the notice of joint public hearing, a Summary Pertaining to the Use of Tax Increment Revenues for Specified Publicly Owned Facilities (the "Summary"), which included all of the information required under Section 33679 of the Redevelopment Law; and

WHEREAS, pursuant to the Redevelopment Law, the City Council has considered the information regarding: (i) estimates of the amount of the tax increment revenues proposed to be used to pay for the Project, including interest payments, including the information contained in Section II of the Summary; (ii) the benefit to the Project Area of the Project, by helping to eliminate blight within the Project Area, including the information contained in Section III of the Summary; (iii) the availability to the community of other reasonable means of financing the Project, including the information contained in Section IV of the Summary; (iv) the payment of funds for the Project is consistent with the Redevelopment Implementation Plan for, among other project areas, the Project Area adopted by Commission Resolution No. 144 on September 14, 2010, pursuant to Section 33490 of the Redevelopment Law (the "Implementation Plan"), including the information contained in Section V of the Summary; and (v) the redevelopment purpose for which the tax increment revenues are being used to pay for the construction of the Project, including the information contained in Section VI of the Summary; and

WHEREAS, the City Council has reviewed and duly considered the staff report, the Summary, the Implementation Plan, and other documents presented at the public hearing (collectively, the "Documents"); and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred;

NOW, THEREFORE, the City Council of the City of Oxnard does hereby resolve as follows:

SECTION 1. The foregoing recitals, and each of them, are true and correct.

SECTION 2. Pursuant to Section 33445 of the Redevelopment Law, based upon the Documents, the City Council determines all of the following: (a) that the installation or construction of the Project is of benefit to the Project Area by helping to eliminate blight within the Project Area; (b) that no other reasonable means of financing the installation or construction of the Project are available to the community; and (c) that the payment of funds for the cost of the Project is consistent with the Implementation Plan.

SECTION 3. Pursuant to and in accordance with Section 33640 of the California Health and Safety Code, the issuance by the Commission of the Bonds in an aggregate principal amount not to exceed $19,000,000 for the purposes set forth in the foregoing recitals and for other purposes relating thereto, all of which constitute a "redevelopment activity" as such term is defined in Section 33678 of the California Health and Safety Code, is authorized and approved by the City Council, acting as the "legislative body" as such term is defined in Section 33007 of the California Health and Safety Code.

SECTION 4. The provision of the Project and the Commission's agreement to pay all or part of the cost of the installation and construction of the Project are necessary for carrying out in

the Project Area the Redevelopment Plan and are necessary to effectuate the purposes of the Redevelopment Plan.

SECTION 5. The City consents to the Commission's payment of all or part of the cost of the installation and construction of the Project in accordance with procedures acceptable to the Executive Director of the Commission, the Community Development Director, or either of their respective designees.

SECTION 6. The City agrees to administer and expend, on behalf of the Commission, the Commission's funds (including proceeds of the Bonds or other funds of the Commission) in connection with the installation and construction of the Project.

SECTION 7. The Mayor, Mayor Pro-Tem, City Clerk, and Chief Financial Officer of the City, and any other proper officer and staff member of the City, are authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents necessary or proper to assist the Commission in the issuance of the Bonds or for otherwise carrying out the transactions contemplated by this Resolution.

SECTION 8. All actions previously taken by the City Council and by the officers and staff of the City with respect to the matters addressed by this Resolution are approved, ratified, and confirmed.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

SECTION 9. This Resolution shall take effect from and after its date of adoption.

APPROVED AND ADOPTED this 21st day of June, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dr. Thomas E. Holden, Mayor

ATTEST:

Daniel Martinez, City Clerk

APPROVED AS TO FORM:

Alan Holmberg, City Attorney

APPROVED AS TO CONTENT:

James Cameron,
Chief Financial Officer

RESOLUTION NO. _____

RESOLUTION OF THE OXNARD COMMUNITY DEVELOPMENT COMMISSION MAKING CERTAIN DETERMINATIONS AND FINDINGS PURSUANT TO HEALTH AND SAFETY CODE SECTION 33445 REGARDING THE FUNDING BY THE OXNARD COMMUNITY DEVELOPMENT COMMISSION OF THE COST OF CERTAIN PUBLICLY OWNED FACILITIES, AUTHORIZING THE SALE, ISSUANCE, AND DELIVERY OF NOT MORE THAN $19,000,000 IN PRINCIPAL AMOUNT OF OXNARD COMMUNITY DEVELOPMENT COMMISSION HISTORIC ENHANCEMENT AND REVITALIZATION OF OXNARD (HERO) PROJECT AREA TAX ALLOCATION BONDS, SERIES 2011, AND APPROVING CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Oxnard Community Development Commission (the "Commission") is a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 and Part 1.7 of Division 24 of the Health and Safety Code of the State (the "Redevelopment Law"), including the power to issue bonds for any of its corporate purposes; and

WHEREAS, the Redevelopment Agency of the City of Oxnard (the "Agency") is the predecessor-in-interest to the Commission; and

WHEREAS, on February 7, 1995, the Commission became the successor-in-interest to the Agency; and

WHEREAS, on April 7, 1998, the City Council of the City of Oxnard (the "City Council") and the Commission approved the original redevelopment plan (the "Original Redevelopment Plan") for the Historic Enhancement and Revitalization of Oxnard (HERO) Redevelopment Project Area (the "Original Project Area"); on February 3, 2004, the City Council and the Commission amended the Original Redevelopment Plan; and, on March 23, 2004, the City Council and the Commission approved the Amended and Restated Redevelopment Plan for the HERO Project Area (the "Redevelopment Plan") and approved the addition of 84.52 acres of territory to the Original Project Area (the "Added Area"; the Original Project Area and the Added Area collectively comprise the "Project Area"); and

WHEREAS, the Redevelopment Plan is currently effective (i) with respect to the Original Project Area, until April 7, 2029, which date is 31 years after the date of adoption of the Original Redevelopment Plan, and (ii) with respect to the Added Area, until March 23, 2034, which date is 30 years after the date of adoption of the Redevelopment Plan; and

WHEREAS, pursuant to the Redevelopment Plan, (i) the last date on which the Commission may repay indebtedness with tax increment generated within the Original Project Area is April 7, 2044, which date is 46 years after the date of adoption of the Original

Redevelopment Plan, and (ii) the last date on which the Commission may repay indebtedness with tax increment generated within the Added Area is March 23, 2049, which date is 45 years after the date of adoption of the Redevelopment Plan; and

WHEREAS, the Commission proposes to authorize the issuance of not more than $19,000,000 in aggregate principal amount of its Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2011 (the "Bonds"), for the purpose of providing funds to (1) finance redevelopment activities within the Project Area, which redevelopment activities include, without limitation, the proposed acquisition, construction, and improvement of Phases I and II of the Campus Park development project, an approximately 30 acre City-owned park located within the boundaries of the Project Area and the City of Oxnard (the "City") at 937 West Fifth Street, inclusive of appurtenances and appurtenant work (the "Project"), (2) fund a reserve fund, and (3) pay certain expenses of the Commission relating to the issuance of the Bonds; and

WHEREAS, debt service on the Bonds shall be payable from tax increment revenues received by the Commission with respect to the Project Area; and

WHEREAS, due to expertise of City staff, the Commission desires for the City to administer and expend, on behalf of the Commission, the Commission's funds in connection with the installation and construction of the Project; and

WHEREAS, the City is agreeable to administering and expending, on behalf of the Commission, the Commission's funds in connection with the installation and construction of the Project; and

WHEREAS, it is in the best interests of the City and for the common benefit of residents, employees, business tenants, and property owners within the Project Area and the City as a whole for the Project to be installed and constructed; and

WHEREAS, pursuant to Section 33445 of the Redevelopment Law, the Commission may, with the consent of the City Council, pay all or a part of the cost of the installation and construction of the Project if the City Council and the Commission make certain determinations set forth in such Section 33445; and

WHEREAS, pursuant to Section 33679 of the Redevelopment Law, the Commission may commit tax increment revenues to pay all or a portion of the costs relating to the installation and construction of the Project, subject to a public hearing by the City Council and the preparation of a summary that includes the information set forth in such Section 33679; and

WHEREAS, on the date hereof, the City Council and the Commission held a joint public hearing in accordance with Section 33679 of the Redevelopment Law, which public hearing was held at the City Council Chambers, 305 West Third Street, Oxnard, California 93030; and

WHEREAS, in accordance with Section 33679 of the Redevelopment Law, notice of such public hearing was published on two successive weeks prior to the public hearing in the "Ventura County Star," a newspaper of general circulation in the City; and

WHEREAS, the Commission has prepared and made available to the City Council, and for public inspection and copying commencing no later than at the time of the first publication of the notice of joint public hearing, a Summary Pertaining to the Use of Tax Increment Revenues for Specified Publicly Owned Facilities (the "Summary"), which included all of the information required under Section 33679 of the Redevelopment Law; and

WHEREAS, pursuant to the Redevelopment Law, the Commission has considered the information regarding: (i) estimates of the amount of the tax increment revenues proposed to be used to pay for the Project, including interest payments, including the information contained in Section II of the Summary; (ii) the benefit to the Project Area of the Project, by helping to eliminate blight within the Project Area, including the information contained in Section III of the Summary; (iii) the availability to the community of other reasonable means of financing the Project, including the information contained in Section IV of the Summary; (iv) the payment of funds for the Project is consistent with the Redevelopment Implementation Plan for, among other project areas, the Project Area adopted by Commission Resolution No. 144 on September 14, 2010, pursuant to Section 33490 of the Redevelopment Law (the "Implementation Plan"), including the information contained in Section V of the Summary; and (v) the redevelopment purpose for which the tax increment revenues are being used to pay for the construction of the Project, including the information contained in Section VI of the Summary; and

WHEREAS, the Commission has reviewed and duly considered the staff report, the Summary, the Implementation Plan, and other documents presented at the public hearing (collectively, the "Documents"); and

WHEREAS, the Commission has determined that the issuance of the Bonds for the purposes described above will provide significant public benefits to the Commission, the City, and the residents of the City; and

WHEREAS, the Commission has determined that because of the need for flexibility in timing the sale of the Bonds in order to achieve maximum interest cost savings, it is desirable to sell the Bonds on a negotiated sale basis; and

WHEREAS, to effectuate such negotiated sale, pursuant to the provisions of Articles 1 through 4 of Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended (the "JPA Law"), the Bonds will be purchased by the City of Oxnard Financing Authority, a joint exercise of powers authority organized and existing pursuant to the JPA Law (the "Authority"), and resold concurrently to Stone & Youngberg LLC, as underwriter (the "Underwriter"), pursuant to a Contract of Purchase (the "Purchase Contract") by and among the Authority, the Commission, and the Underwriter; and

WHEREAS, the City Council and the Commission have appointed First Southwest Company as financial advisor (the "Financial Advisor") to, among other things, advise the Commission with respect to Bond interest rates, underwriting fees, and other financing matters relating to the issuance of the Bonds; and

WHEREAS, the sole members of the Authority are the City, the Commission, and the Housing Authority of the City of Oxnard, which members are located entirely within the City,

and the proposed redevelopment activities are located within the geographic boundaries of the City; and

WHEREAS, on the date hereof, the Commission held a public hearing in accordance with Section 6586.5 of the JPA Law, which public hearing was held at the City Council Chambers, 305 West Third Street, Oxnard, California 93030; and

WHEREAS, in accordance with Section 6586.5 of the JPA Law, notice of such public hearing was published once at least five days prior to the public hearing in the "Ventura County Star," a newspaper of general circulation in the City;

WHEREAS, the City Council and the Commission have appointed Goodwin Procter LLP as bond counsel ("Bond Counsel") and disclosure counsel ("Disclosure Counsel") to prepare proceedings for the issuance, sale, and delivery of the Bonds and to prepare and review the form and content of initial and continuing disclosure materials, including, without limitation, a preliminary official statement (the "Preliminary Official Statement"), in connection with the issuance of the Bonds; and

WHEREAS, the Commission proposes to enter into an Indenture of Trust (the "Indenture"), by and between the Commission and Wells Fargo Bank, National Association, as trustee (the "Trustee"), to provide for the issuance of the Bonds; and

WHEREAS, the Commission proposes to enter into a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement"), by and between the Commission and the Trustee, as dissemination agent (the "Dissemination Agent"), to provide for the Commission's continuing disclosure obligations with respect to the Bonds under Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"); and

WHEREAS, the forms of the following documents are on file with the Secretary of the Commission (the "Secretary") and have been submitted to the Commission, and the Chief Financial Officer of the City, acting as such on behalf of the Commission (the "Chief Financial Officer") in consultation with the Underwriter, Bond Counsel, and Disclosure Counsel, has examined and approved each document and has recommended that the Commission direct the completion, where appropriate, and the execution and delivery of such documents and the consummation of such financing:

(1) the Purchase Contract;
(2) the Preliminary Official Statement;
(3) the Indenture; and
(4) the Continuing Disclosure Agreement; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred;

NOW, THEREFORE, the Oxnard Community Development Commission does hereby resolve as follows:

SECTION 1. The foregoing recitals, and each of them, are true and correct.

SECTION 2. Pursuant to Section 33445 of the Redevelopment Law, based upon the Documents, the Commission determines all of the following: (a) that the installation or construction of the Project is of benefit to the Project Area by helping to eliminate blight within the Project Area; (b) that no other reasonable means of financing the installation or construction of the Project are available to the community; and (c) that the payment of funds for the cost of the Project is consistent with the Implementation Plan.

SECTION 3. The Commission's issuance of the Bonds pursuant to the Redevelopment Law, the proceeds of which Bonds will finance redevelopment activities within the Project Area within the City, will provide "significant public benefits" (as such term is defined in Government Code section 6586) to the residents of the City because the Commission expects that such use will provide demonstrable savings in effective interest rate costs, employment benefits from undertaking the redevelopment activities in a timely manner, or more efficient delivery of City services to residential and commercial development.

SECTION 4. The provision of the Project and the Commission's agreement to pay all or part of the cost of the installation and construction of the Project are necessary for carrying out in the Project Area the Redevelopment Plan and are necessary to effectuate the purposes of the Redevelopment Plan.

SECTION 5. The Commission agrees to pay all or part of the cost of the installation and construction of the Project in accordance with procedures acceptable to the Executive Director of the Commission, the Community Development Director, or either of their respective designees.

SECTION 6. The Commission agrees that the City may administer and expend, on behalf of the Commission, the Commission's funds (including proceeds of the Bonds or other funds of the Commission) in connection with the installation and construction of the Project.

SECTION 7. The Commission's obligations under this Resolution shall constitute an indebtedness of the Commission for the purpose of carrying out the redevelopment project for the Project Area.

SECTION 8. The Indenture is approved in substantially the form on file with the Secretary. The Chairman of the Commission (the "Chairman") and the Secretary are authorized and directed, for and in the name of the Commission, to execute and deliver the Indenture with such changes, insertions, and omissions as the Chief Financial Officer shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 9. The Purchase Contract is approved in substantially the form on file with the Secretary. The Chief Financial Officer is authorized and directed, for and in the name of the Commission, upon receipt of a complete Purchase Contract from the Underwriter, to execute and deliver the Purchase Contract with such changes, insertions, and omissions as the Chief Financial Officer or the Financial Advisor shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided that the aggregate principal amount of the Bonds shall not exceed $19,000,000, the interest rates or yields to maturity on the Bonds are such that the net interest cost does not exceed ten percent (10.0%) and the underwriting fee

payable to the Underwriter with respect to the Bonds does not exceed one percent (1.0%), excluding any original issue discount or premium, as applicable.

SECTION 10. The Continuing Disclosure Agreement is approved in substantially the form on file with the Secretary. The Chief Financial Officer is authorized and directed, for and in the name of the Commission, to execute and deliver the Continuing Disclosure Agreement with such changes, insertions, and omissions as the Chief Financial Officer shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 11. (a) The Preliminary Official Statement is approved and authorized in substantially the form on file with the Secretary. The Preliminary Official Statement shall be deemed final as of its date, except for either revision or addition of the offering price(s), yield(s) to maturity, selling compensation, aggregate denominational amount and maturity value, denominational amount and maturity value per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to the Rule, and the Chief Financial Officer, as the Commission officer to be authorized and directed to execute the Official Statement for the Bonds, is authorized to execute and deliver a certificate in the customary form respecting such finality.

(b) The Commission authorizes such modifications to the Preliminary Official Statement, whether by corrections or additions thereto or by supplement or amendment thereof, as shall be approved by Disclosure Counsel and by the Chief Financial Officer, such approval to be conclusively established by delivery thereof to the Underwriter. The Underwriter is authorized to distribute the Preliminary Official Statement in connection with its public offering of the Bonds, and the Chief Financial Officer, in coordination with the Underwriter and Disclosure Counsel, shall cause sufficient copies of the Preliminary Official Statement to be printed and made available to the Underwriter for said purpose.

(c) The Chief Financial Officer is further authorized and directed to approve, execute, and deliver the final Official Statement with respect to the Bonds, which final Official Statement shall be in the form of the Preliminary Official Statement with such changes, insertions, and omissions as may be approved by the Chief Financial Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Underwriter is authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the initial purchase of the Bonds and is directed to deliver copies of the final Official Statement to all actual initial purchasers of the Bonds.

SECTION 12. The Bonds, in an aggregate principal amount not to exceed $19,000,000 (which amount shall be finally determined by the Chief Financial Officer), designated "Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2011," are authorized to be issued, sold, and delivered in accordance with the terms and provisions of the Indenture and the Purchase Contract. The proceeds from the sale of the Bonds shall be deposited as provided in the Indenture. The Chairman and the Secretary are authorized and directed, for and in the name of the Commission, to execute (manually or by facsimile) and deliver the Bonds with such changes, insertions, and omissions as the Chief Financial Officer shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 13. Wells Fargo Bank, National Association, is appointed as Trustee under and pursuant to the Indenture and as Dissemination Agent under the Continuing Disclosure Agreement, with the respective powers and duties of each of said office as set forth therein. The Trustee is requested and directed to execute and deliver the Bonds to the Underwriter in accordance with written instructions to be executed on behalf of the Commission by the Chief Financial Officer.

SECTION 14. The Chief Financial Officer is authorized to select a municipal bond insurer to insure payments of principal of and interest on the Bonds if the Chief Financial Officer determines that a municipal bond insurance policy issued by such insurer will result in a lower interest rate or yield to maturity with respect to the Bonds and to undertake all acts necessary to obtain such insurance. If the Chief Financial Officer determines that it is in the best interest of the Commission to obtain a surety bond, bond insurance policy, letter of credit, or other form of guarantee for all or a portion of the Reserve Requirement (as defined in the Indenture), the Chief Financial Officer may enter into an agreement with a provider thereof selected by the Chief Financial Officer.

SECTION 15. The Chairman, the Vice Chairman of the Commission (the "Vice Chairman"), the Secretary, the Chief Financial Officer, and any other proper officer of the Commission are authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents necessary or proper for carrying out the transactions contemplated by the Indenture, the Purchase Contract, the Continuing Disclosure Agreement, and this Resolution and to execute and deliver any and all certificates and representations, including signature certificates, no-litigation certificates, tax certificates, and certificates concerning the Official Statement describing the Bonds, necessary and desirable to accomplish the transactions described in such documents or as set forth above.

SECTION 16. Any document the execution of which by the Chairman is authorized by this Resolution shall, in the absence or inability to act of the Chairman, be executed by the Vice Chairman or by any authorized designee of the Chairman or the Vice Chairman. Any document the execution of which by the Secretary is authorized by this Resolution shall, in the absence or inability to act of the Secretary, be executed by any person so designated in writing by the Secretary or by any other proper officer of the Commission acting on behalf of the Secretary. Any document the execution of which by the Chief Financial Officer is authorized by this Resolution shall, in the absence or inability to act of the Chief Financial Officer, be executed by the Financial Services Manager of the City, acting as such on behalf of the Commission or, in the absence or inability to act of such Financial Services Manager, by any person so designated in writing by the Chief Financial Officer or by any other proper officer of the Commission acting on behalf of the Chief Financial Officer.

SECTION 17. All actions previously taken by the Commission and by the officers and staff of the Commission with respect to the matters addressed by this Resolution are approved, ratified, and confirmed.

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SECTION 18. This Resolution shall take effect from and after its date of adoption.

APPROVED AND ADOPTED this 21st day of June, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dr. Thomas E. Holden,
Chairman

ATTEST:

Daniel Martinez, Secretary Designate

APPROVED AS TO FORM:

Alan Holmberg, General Counsel

APPROVED AS TO CONTENT:

James Cameron, Chief Financial Officer

RESOLUTION NO. _____

RESOLUTION OF THE GOVERNING BOARD OF THE CITY OF OXNARD FINANCING AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTRACT OF PURCHASE WITH RESPECT TO OXNARD COMMUNITY DEVELOPMENT COMMISSION HISTORIC ENHANCEMENT AND REVITALIZATION OF OXNARD (HERO) PROJECT AREA TAX ALLOCATION BONDS, SERIES 2011, AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, the City of Oxnard Financing Authority (the "Authority") is a joint exercise of powers entity organized and existing under the laws of the State of California, including Articles 1 through 4 of Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended (the "JPA Law"), and has the authority, among other things, to assist the Oxnard Community Development Commission (the "Commission"), a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 and Part 1.7 of Division 24 of the Health and Safety Code of the State, in financing and refinancing its obligations; and

WHEREAS, pursuant to the JPA Law, the Authority is authorized to purchase bonds issued by the Commission for the financing of public capital improvements or projects whenever there are significant public benefits as determined by the Commission; and

WHEREAS, pursuant to the JPA Law, the Authority is further authorized to sell bonds so purchased to public or private purchasers by public or negotiated sale; and

WHEREAS, the Commission has determined to issue not more than $19,000,000 in aggregate principal amount of its Oxnard Community Development Commission Historic Enhancement and Revitalization of Oxnard (HERO) Project Area Tax Allocation Bonds, Series 2011 (the "Bonds"), for the purpose of providing funds to (1) finance redevelopment activities within the Historic Enhancement and Revitalization of Oxnard (HERO) Redevelopment Project Area, which redevelopment activities include, without limitation, the proposed acquisition, construction, and improvement of Phases I and II of the Campus Park development project, an approximately 30 acre City-owned park located within the boundaries of the Project Area and the City of Oxnard (the "City") at 937 West Fifth Street, inclusive of appurtenances and appurtenant work (the "Project"), (2) fund a reserve fund, and (3) pay certain expenses of the Commission relating to the issuance of the Bonds; and

WHEREAS, on the date hereof, the Commission held a public hearing in accordance with Section 6586.5 of the JPA Law, which public hearing was held at the City Council Chambers, 305 West Third Street, Oxnard, California 93030; and

WHEREAS, in accordance with Section 6586.5 of the JPA Law, notice of such public hearing was published once at least five days prior to the public hearing in the "Ventura County Star," a newspaper of general circulation in the City; and

WHEREAS, the Commission has determined that "significant public benefits," as such term is defined in Section 6586 of the California Government Code, will be derived by the Commission in undertaking to issue the Bonds, sell the Bonds to the Authority, and have the Authority, substantially concurrently therewith, resell the Bonds to the Underwriter; and

WHEREAS, the Commission has determined that because of the need for flexibility in timing the sale of the Bonds in order to achieve maximum interest cost savings, it is desirable to sell the Bonds on a negotiated sale basis; and

WHEREAS, to effectuate such negotiated sale, pursuant to the provisions of JPA Law, this Governing Board of the Authority (this "Board") has agreed that the Bonds will be purchased by the Authority and resold concurrently to Stone & Youngberg LLC, as underwriter (the "Underwriter"), pursuant to a Contract of Purchase (the "Purchase Contract") by and among the Authority, the Commission, and the Underwriter; provided that the Authority shall pay for the purchase of the Bonds from the Commission solely from the proceeds received from the Authority's concurrent sale of the Bonds to the Underwriter; and

WHEREAS, the City Council of the City (the "City Council") and the Commission have appointed First Southwest Company as financial advisor (the "Financial Advisor") to, among other things, advise the Commission with respect to Bond interest rates, underwriting fees, and other financing matters relating to the issuance of the Bonds; and

WHEREAS, the City Council and the Commission have appointed Goodwin Procter LLP as bond counsel ("Bond Counsel") and disclosure counsel ("Disclosure Counsel") to prepare proceedings for the issuance, sale, and delivery of the Bonds and to prepare and review the form and content of initial and continuing disclosure materials, including, without limitation, a preliminary official statement (the "Preliminary Official Statement"), in connection with the issuance of the Bonds; and

WHEREAS, the forms of the following documents are on file with the Secretary of the Authority (the "Secretary") and have been submitted to this Board, and the Chief Financial Officer of the City, acting as the Chief Financial Officer of the Commission (the "Chief Financial Officer") and as Controller of the Authority (the "Controller"), in consultation with the Underwriter, Bond Counsel, and Disclosure Counsel, has examined and approved each document and has recommended that this Board direct the completion, where appropriate, and the execution and delivery of such documents and the consummation of such financing:

(1) the Purchase Contract; and
(2) the Preliminary Official Statement;

NOW, THEREFORE, the Governing Board of the City of Oxnard Financing Authority does hereby resolve as follows:

SECTION 1. The foregoing recitals, and each of them, are true and correct.

SECTION 2. The Purchase Contract is approved in substantially the form on file with the Secretary. The Controller is authorized and directed, for and in the name of the Authority, upon receipt of a complete Purchase Contract from the Underwriter, to execute and deliver the

Purchase Contract with such changes, insertions, and omissions as the Controller or the Financial Advisor shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided that the aggregate principal amount of the Bonds shall not exceed $19,000,000, the interest rates or yields to maturity on the Bonds are such that the net interest cost does not exceed ten percent (10.0%) and the underwriting fee payable to the Underwriter with respect to the Bonds does not exceed one percent (1.0%), excluding any original issue discount or premium, as applicable.

SECTION 3. The Preliminary Official Statement is hereby approved in substantially the form on file with the Secretary, with such modifications to the Preliminary Official Statement as shall be approved by Disclosure Counsel and by the Chief Financial Officer. The Underwriter is hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the initial purchase of Bonds and to deliver copies of the final Official Statement to all actual initial purchasers of the Bonds. Such final Official Statement shall be in the form of the Preliminary Official Statement with such changes, insertions, and omissions as may be approved by the Chief Financial Officer.

SECTION 4. The Chairman of the Authority, the Vice Chairman of the Authority, the Secretary, the Controller, and any other proper officer of the Authority are authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents necessary or proper for carrying out the transactions contemplated by the Purchase Contract and this Resolution and to execute and deliver any and all certificates and representations, including signature certificates, no-litigation certificates, tax certificates, and certificates concerning the Official Statement describing the Bonds, necessary and desirable to accomplish the transactions described in such documents or as set forth above.

SECTION 5. Any document the execution of which by the Controller is authorized by this Resolution shall, in the absence or inability to act of the Controller, be executed by the Assistant Controller of the Authority or, in the absence or inability to act of such Assistant Controller, by any person so designated in writing by the Controller or by any other proper officer of the Authority acting on behalf of the Controller.

SECTION 6. All actions previously taken by this Board and by the officers and staff of the Authority with respect to the matters addressed by this Resolution are approved, ratified, and confirmed.

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SECTION 7. This Resolution shall take effect from and after its date of adoption.

APPROVED AND ADOPTED this 21st day of June, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dr. Thomas E. Holden, Chairman

ATTEST:

Daniel Martinez, Secretary

APPROVED AS TO FORM:

Alan Holmberg, General Counsel

APPROVED AS TO CONTENT:

James Cameron, Controller