



Meeting Date: 06/22/10

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: Sabrina Rodriguez, Management Analyst *SR* Agenda Item No. I-7

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

DATE: June 10, 2010

TO: City Council
Community Development Commission

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

SUBJECT: Extension of Financial Agreement for Short Term Loan

RECOMMENDATION

That City Council adopt a resolution approving and authorizing the Mayor to execute an Extension of Financial Agreement with the Community Development Commission (CDC) providing for a two-year extension for the CDC to repay a short term loan in the amount of \$750,000 to the CDC.

That the Community Development Commission adopt a resolution approving and authorizing the Chairman to execute the Extension of Financial Agreement with the City to extend the time for repayment of a short term loan to the CDC in the amount of \$750,000.

DISCUSSION

On March 16, 2004, the City Council and CDC adopted a resolution approving and authorizing a Financial Agreement for the City to provide a short term loan to the CDC in the total amount of \$750,000 to be used for the acquisition of 455 South "A" Street (formerly known as the Bank of America Building). The acquisition was for the implementation of the Downtown Theater project.

The general terms of the requested loan extension financial agreement between the City and the CDC are as follows:

The CDC agrees to repay the City the sum of \$750,000 with interest, on June 30, 2012. An interest-only payment will be due on June 30, 2011. The latest date the loan may be repaid under the proposed Financial Agreement is June 30, 2012. The loan will be repaid from tax increment revenues derived from the CCRP and Downtown Project Areas.

FINANCIAL IMPACT

The deferral of the repayment will not have an impact on the operations of the General Fund, through the projected repayment period of FY 2010-2011 and FY 2011-2012. The loan will be repaid plus interest, the interest is calculated at the Local Agency Investment Fund (LAIF) rate +1%. The estimated interest for FY 2010-2011 is approximately \$45,000 and will be included in the FY 2010-2011 budget. The interest payments will be funded through CCRP Project Area Account # 401-8209-864-8508.

Attachment #1 - City Council Resolution
#2 - Community Development Commission Resolution
#3 - Financial Agreement Extension

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
PROVIDING FOR EXTENSION OF TERM OF FINANCIAL AGREEMENT
BETWEEN THE CITY OF OXNARD AND THE COMMUNITY
DEVELOPMENT COMMISSION OF THE CITY OF OXNARD**

WHEREAS, the City and the Commission entered into a Financial Agreement on March 16, 2004, pursuant to which the City advanced funds in the amount of \$750,000, to the Commission and the Commission agreed to repay the funds;

WHEREAS, the Commission previously extended the term of the Financial Agreement as a matter of right provided in the Financial Agreement; and

WHEREAS, the City and Commission agree to further extend the term of the Financial Agreement.

NOW, THEREFORE, the City Council of the City of Oxnard resolves:

1. The Extension of the Financial Agreement between the City of Oxnard and the Community Development Commission of the City of Oxnard is approved and the Mayor is authorized to execute the same.

PASSED AND ADOPTED this ___ day of _____, 2010 by the following vote:

AYES:

NOES:

ABSENT:

Dr. Thomas E. Holden, Mayor

ATTEST:

Daniel Martinez, City Clerk

APPROVED AS TO FORM:



Alan Holmberg, City Attorney

ATTACHMENT NO. 1
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COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF OXNARD

RESOLUTION NO.

A RESOLUTION OF THE CITY OF OXNARD COMMUNITY DEVELOPMENT COMMISSION PROVIDING FOR EXTENSION OF TERM OF FINANCIAL AGREEMENT BETWEEN THE CITY OF OXNARD AND THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF OXNARD

WHEREAS, the City and the Commission entered into a Financial Agreement on March 16, 2004, pursuant to which the City advanced funds in the amount of \$750,000, to the Commission and the Commission agreed to repay the funds;

WHEREAS, the Commission previously extended the term of the Financial Agreement as a matter of right provided in the Financial Agreement; and

WHEREAS, the City and Commission agree to further extend the term of the Financial Agreement.

NOW, THEREFORE, the Community Development Commission of the City of Oxnard resolves:

1. The Extension of the Financial Agreement between the City of Oxnard and the Community Development Commission of the City of Oxnard is approved and the Chairman is authorized to execute the same.

PASSED AND ADOPTED this ____ day of _____, 2010 by the following vote:

AYES:

NOES:

ABSENT:

Dr. Thomas E. Holden, Chairman

ATTEST:

Daniel Martinez, Secretary

APPROVED AS TO FORM:



Alan Holmberg, General Counsel

ATTACHMENT 2
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EXTENSION OF TERM OF FINANCIAL AGREEMENT
BETWEEN THE CITY OF OXNARD AND
THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF OXNARD

The City of Oxnard and the Community Development Commission of the City of Oxnard hereby agree to extend the payment date in the Financial Agreement between the City of Oxnard and the Community Development Commission of the City of Oxnard, Agreement No. A-6335, dated March 16, 2004, to extend the payment of the loan therein to June 30, 2012. An interest payment shall be made on June 30, 2011. All other terms of the Agreement remain in full force and effect.

Dated _____, 2010

THE CITY OF OXNARD

Dr. Thomas E. Holden, Mayor

COMMUNITY DEVELOPMENT
COMMISSION OF THE CITY OF
OXNARD

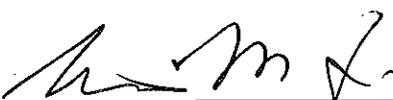
Dr. Thomas E. Holden, Chairman

APPROVED AS TO FORM:



Alan Holmberg, City Attorney

APPROVED AS TO FORM:



Alan Holmberg, General Counsel

ATTACHMENT NO. 3
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