

Written materials relating to an item on this agenda that are distributed to the legislative bodies within 72 hours before the item is to be considered at its regularly scheduled meeting will be made available for public inspection at the City Clerk's Office, 300 West Third Street 4th Floor during customary business hours. Agenda reports are also on the City of Oxnard web site at www.oxnard.org.



AGENDA
OXNARD CITY COUNCIL
FINANCE AND GOVERNANCE COMMITTEE
Council Chambers, 305 West Third Street
July 27, 2021
Regular Meeting - 5:00 to 6:30 PM
(TEMPORARY MEETING TIME CHANGE)

This meeting is held pursuant to the State Emergency Services Act, the Governor's Emergency Declaration, and Governor's Executive Order N-29-20 to allow members of the City Council or staff to participate via teleconference.

As a precautionary measure to help slow the spread of COVID-19, the City Council facilities are temporarily closed to the public. The public is encouraged to view the meeting from home on the City's website at Oxnard.org/city-meetings, Spectrum channel 10, Frontier channel 35, or YouTube at [Youtube.com/oxnardnews](https://www.youtube.com/oxnardnews). Video recordings are typically available online immediately following the meeting. *Please see the link for the Measure M pre-recorded presentation video for each agenda item below.

The public may provide comments to the City Council via email at cityclerk@oxnard.org no later than [2:00 p.m.](#) on the day of the meeting. Please identify the committee name, meeting date, and agenda item in the email Subject line.

A telephone option for public comments is also available at this time. Requests to speak must be submitted no later than [2:00 p.m.](#) on the day of the meeting. Use the form on the city's website to submit your request: Oxnard.org/city-meetings, or call the City Clerk's Office at (805) 385-7803, or email your request to cityclerk@oxnard.org.

*The City has filed pre-election and post-election lawsuits regarding the validity of Measure M. The judge has not yet ruled on the legal sufficiency of Measure M.

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

At this time, the legislative body will consider public comments for a maximum of thirty minutes. A person may address the legislative body only on matters not appearing on the agenda and within the subject matter jurisdiction of the legislative body. Speaker requests shall be submitted as set forth on the first page of this agenda. Speakers are limited to three minutes. If the allotted 30 minute time period expires before all speakers have had the opportunity to speak, the remaining speakers will be given an opportunity to speak prior to adjournment of the meeting. The legislative body cannot enter into a detailed discussion or take action on any items presented during public comments at this time. Such items may only be referred to the City Manager/Executive Director/Secretary for administrative action or scheduled on a subsequent agenda for discussion. Persons wishing to speak on public hearing items should do so at the time of the hearing.

C. CONSENT AGENDA

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in a meeting, please contact the City Clerk's Office at 385-7803. Notice at least 72 hours prior to the meeting will enable the City to reasonably arrange for your accessibility to the meeting.

Agenda Item time estimates: (Presentation / Committee Discussion / Public Comment)

1. City Clerk Department

SUBJECT: Approval of Minutes.

RECOMMENDATION: That the Finance and Governance Committee approve the minutes of the April 27, 2021, May 11, 2021, May 25, 2021, and June 8, 2021 regular meetings as presented.

Contact: Rose Chaparro, (805) 385-7805

D. REPORTS

1. Public Works Department

SUBJECT: Proposed Formation of the City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay) and Approval of Deposit and Reimbursement Agreement and Special Tax Disbursement Agreement. (0/5/5)

RECOMMENDATION: That the Finance and Governance Committee recommend that the City Council adopt the following resolutions:

1. A Resolution Approving a Deposit and Reimbursement Agreement and Special Tax Disbursement Agreement Relating to the Proposed City of Oxnard Community Facilities District No. 9 (Northshore At Mandalay Bay);
2. A Resolution of Intention to Establish City of Oxnard Community Facilities District No. 9 (Northshore At Mandalay Bay); and
3. A Resolution of Intention to Incur Bonded Indebtedness in the Amount Not to Exceed \$22,000,000 within the Proposed City of Oxnard Community Facilities District No. 9 (Northshore At Mandalay Bay).

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/9Nde_zwZfTA

Contact: Brian Yanez, (805) 200-5412

E. ITEMS FOR FUTURE AGENDAS

F. ADJOURNMENT



CITY COUNCIL AGENDA REPORT

CONSENT AGENDA AGENDA ITEM NO. C.1

DATE: July 27, 2021

TO: Finance and Governance Committee

FROM: Rose Chaparro, City Clerk, (805) 385-7805, rose.chaparro@oxnard.org

SUBJECT: Approval of Minutes.

RECOMMENDATION

That the Finance and Governance Committee approve the minutes of the April 27, 2021, May 11, 2021, May 25, 2021, and June 8, 2021 regular meetings as presented.

BACKGROUND

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the five strategic priorities adopted by City Council on March 16, 2021.

FINANCIAL IMPACT

There is no financial impact.

COMMITTEE OUTCOME

Prepared by: Rose Chaparro, City Clerk

ATTACHMENTS

1. MINUTES 04 27 2021 Finance & Governance Committee
2. MINUTES 05 11 2021 Finance & Governance Committee
3. MINUTES 05 25 2021 Finance & Governance Committee
4. MINUTES 06 08 2021 Finance & Governance Committee

MINUTES
OXNARD CITY COUNCIL
FINANCE AND GOVERNANCE COMMITTEE
Regular Meeting
APRIL 27, 2021

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

At 5:02 p.m., Chair Zaragoza called to order the regular meeting of the Oxnard City Council Finance and Governance Committee in the City Hall Council Chambers at 305 W. Third Street, Oxnard, California. The City Clerk called the roll and announced the posting of the agenda. Chair Zaragoza was present in person. Members Gabriela Basua and Gabriel (Gabe) Teran participated via videoconference.

Staff members present in person were Stephen M. Fischer, City Attorney; Shiri Klima, Deputy City Manager; and Rose Chaparro, City Clerk.

Staff members that participated via videoconference were Alexander Nguyen, City Manager; Kevin Riper, Chief Financial Officer; Mike More, Human Resources Risk Manager; Raja Bamrungpong, Interim IT Director; and Gary Krumian, IT Analyst.

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Public comments were received from Douglas D. Partello.

C. REPORTS

1. Information Technology Department

SUBJECT: Renewal of Google Enterprise License Agreement.

RECOMMENDATION: That the Finance and Governance Committee recommend that the City Council approve the Second Amendment of Software License Agreement A-7916 with Dito LLC for the purpose of renewing the City's Google Enterprise Licenses for another five years in the amount of \$780,600, or \$156,120 annually plus another \$250,000 for additional user licenses as may be needed. Thus, the total five year authorization amounts to \$1,030,600.

Raja Bamrungpong, Interim IT Director and Gary Krumian, IT Analyst were available to answer the Committee's questions. No public comments were received. Discussion ensued among the Committee and staff.

It was moved by Member Teran, seconded by Member Basua, to approve the recommended action as presented. VOTE: Basua, Teran, and Zaragoza voted in favor; the motion carried 3-0.

2. Information Technology Department

SUBJECT: Purchase of Computer Equipment from Compuwave.

RECOMMENDATION: That the Finance and Governance Committee recommend that the City Council:

1. Approve and authorize the Mayor to execute a blanket purchase order in an amount not to exceed \$500,000 with Compuwave for the sourcing of computer hardware and software in Year 1; and
2. Approve and authorize the City Manager to execute a blanket purchase order in an amount not to exceed \$500,000 with Compuwave for the sourcing of computer hardware and software in Year 2.

Raja Bamrungpong, Interim IT Director and Gary Krumian, IT Analyst were available to answer the Committee's questions. No public comments were received. Discussion ensued among the Committee and staff.

It was moved by Member Teran, seconded by Member Basua, to approve the recommended action as presented. VOTE: Teran, Basua, and Zaragoza voted in favor; the motion carried 3-0.

3. Human Resources Department

SUBJECT: Agreement No. A-8319 with George Hills Company, Inc. for liability claims administration and adjustment services.

RECOMMENDATION: That the Finance and Governance Committee recommend that the City Council approve Agreement No. A-8319 with George Hills Company, Inc. in an amount not to exceed \$1,084,182 for liability claims administration and adjustment services over a five-year term.

Mike More, Human Resources Risk Manager, was available to answer the Committee's questions. No public comments were received. Discussion ensued among the Committee and staff.

It was moved by Member Basua, seconded by Member Teran, to approve the recommended action as presented. VOTE: Zaragoza, Teran, and Basua voted in favor; the motion carried 3-0.

4. City Manager Department

SUBJECT: Whistleblower Hotline Services Agreement Extension.

RECOMMENDATION: That the Finance and Governance Committee recommend the City Council approve and authorize the Mayor to execute a Third Amendment to Agreement No. A-7986 with Price Paige and Company to add three years to its whistleblower hotline services.

Shiri Klima, Deputy City Manager, was available to present. This item was continued to a future Council meeting. No official action was required.

D. ITEMS FOR FUTURE AGENDAS (No requests were made.)

E. ADJOURNMENT

There being no further business on the agenda, and without objection, Chair Zaragoza adjourned the meeting at 5:33 p.m.

ROSE CHAPARRO
City Clerk

JOHN C. ZARAGOZA
Chair

MINUTES
OXNARD CITY COUNCIL
FINANCE AND GOVERNANCE COMMITTEE
Regular Meeting
May 11, 2021

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

At 5:00 p.m., Chair John C. Zaragoza called to order the regular meeting of the Oxnard City Council Finance and Governance Committee in the City Hall Council Chambers at 305 W. Third Street, Oxnard, California. The City Clerk called the roll and announced the posting of the agenda. Chair Zaragoza was present in person. Members Gabriela Basua and Gabriel (Gabe) Teran participated via videoconference.

Staff members present in person were Shiri Klima, Deputy City Manager; Ken Rozell, Chief Assistant City Attorney; and Rose Chaparro, City Clerk.

Staff members that participated via videoconference were Alexander Nguyen, City Manager; Kevin Riper, Chief Financial Officer; Alexander Hamilton, Fire Chief; Craig Beck, Interim Public Works Director; Brian Yanez, Assistant Public Works Director; Jay Duncan, Call Center Manager; Todd Vasquez-Housley, Environmental Resources Division Manager; and Jason Zaragoza, Deputy City Attorney.

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Public comments were received from Lawrence Stein.

C. REPORTS

1. Fire Department

SUBJECT: Establishment of Ambulance Transportation Fees.

RECOMMENDATION: That the Finance and Governance Committee recommend that the City Council:

1. Conduct a public hearing to consider the establishment of ambulance transportation fees; and
2. Following the public hearing, adopt a resolution establishing ambulance transportation fees.

Alexander Hamilton, Fire Chief, presented and answered the Committee's questions. Public comments were received from Lawrence Stein. Discussion ensued among the Committee and staff.

It was moved by Member Basua, seconded by Member Teran, to approve the recommended action as presented. VOTE: Teran, Basua, and Zaragoza voted in favor; the motion carried 3-0.

2. Finance Department

SUBJECT: Proposed City Council Policy for Internal Control Integrated Framework - Information and Communication.

RECOMMENDATION: That the Finance and Governance Committee provide feedback on a proposed City Council Policy for Internal Control Integrated Framework - Information and Communication and recommend City Council approve the proposed policy.

Kevin Riper, Chief Financial Officer, answered the Committee's questions. Public comments were received from Lawrence Stein. Discussion ensued among the Committee and staff.

It was moved by Member Basua, seconded by Member Teran, to approve the recommended action as presented. VOTE: Basua, Teran, and Zaragoza voted in favor; the motion carried 3-0.

3. Public Works Department

SUBJECT: Utility Rates Assistance Program (Project Assist) Update.

RECOMMENDATION: That the Finance and Governance Committee:

1. Adopt a resolution for the Utility Ratepayers Assistance Program (Project Assist) for Fiscal Year 2021-22 to assist eligible Oxnard residents and authorize staff to grant financial relief equal to a monthly \$15.00 maximum credit per utility bill charged to customers who meet the eligibility requirements discussed in this staff report; and
2. Authorize staff to direct up to \$145,000 from penalty fees charged to City utility customers who pay their bills late to fund the Utility Ratepayers Assistance Program (Project Assist) in Fiscal Year 2021-22.

Brian Yanez, Assistant Public Works Director and Jay Duncan, Call Center Manager were available to answer the Committee's questions. Public comments were received from Lawrence Stein. Discussion ensued among the Committee and staff.

It was moved by Member Teran, seconded by Member Basua, to approve the recommended action as presented. VOTE: Teran, Basua, and Zaragoza voted in favor; the motion carried 3-0.

D. ITEMS FOR FUTURE AGENDAS (No requests were made.)

E. ADJOURNMENT

There being no further business on the agenda, and without objection, Chair Zaragoza adjourned the meeting at 5:41 p.m.

ROSE CHAPARRO
City Clerk

JOHN C. ZARAGOZA
Chair

MINUTES
OXNARD CITY COUNCIL
FINANCE AND GOVERNANCE COMMITTEE
Regular Meeting
May 25, 2021

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

At 5:00 p.m., Chair John C. Zaragoza called to order the regular meeting of the Oxnard City Council Finance and Governance Committee in the City Hall Council Chambers at 305 W. Third Street, Oxnard, California. The City Clerk called the roll and announced the posting of the agenda. Chair Zaragoza was present in person. Members Gabriela Basua and Gabriel (Gabe) Teran participated via videoconference.

Staff members present in person were Alexander Nguyen, City Manager; Stephen M. Fischer, City Attorney; and Rose Chaparro, City Clerk.

Staff members that participated via videoconference were Ashley Golden, Assistant City Manager; Shiri Klima, Deputy City Manager; Kevin Riper, Chief Financial Officer; Craig Beck, Interim Public Works Director; and Steve Howlett, Assistant Public Works Director.

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA (None received.)

C. CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Minutes

RECOMMENDATION: That the Finance and Governance Committee approve the minutes of the January 26, 2021 regular meeting as presented

It was moved by Member Basua, seconded by Member Teran, to approve the Information/Consent item as presented. VOTE: Basua, Teran, and Zaragoza voted in favor; the motion carried 3-0.

D. REPORTS

1. City Manager Department

SUBJECT: Whistleblower Hotline Services Agreement Extension.

RECOMMENDATION: That the Finance and Governance Committee recommend the City Council approve and authorize the Mayor to execute a Third Amendment to Agreement No. A-7986 with Price Paige and Company to add three years and amend the rates to its whistleblower hotline services

Shiri Klima, Deputy City Manager and Oum Price with Paige and Company answered the Committee's questions. No public comments were received. Discussion ensued among the

Committee and staff.

It was moved by Mayor Zaragoza, seconded by Member Basua, to approve the recommended action as presented. VOTE: Teran, Zaragoza, and Basua voted in favor; the motion carried 3-0.

2. Public Works Department

SUBJECT: Fiscal Year 2021-22 Landscape Maintenance Districts Initiation of Proceedings, Declaration of Intention to Levy and Collect Assessments, and Scheduling of Public Hearing.

RECOMMENDATION: That the Finance and Governance Committee recommend that the City Council acting as the legislative body of the City of Oxnard Landscape Maintenance Districts (LMDs):

1. Adopt a resolution initiating proceedings for the annual levy and collection of assessments for Fiscal Year 2021-22 within the City's LMDs; and
2. Adopt a resolution declaring intention to levy and collect assessments for Fiscal Year 2021-22 within the City's LMDs pursuant to the Landscaping and Lighting Act of 1972.

Steve Howlett, Assistant Public Works Director and Amanda Welker, Financial Analyst with NBS, answered the Committee's questions. Public comments were received from Douglas D. Partello, Ray Blattell, and Alicia Percell. Discussion ensued among the Committee and staff.

It was moved by Mayor Zaragoza, seconded by Member Teran, to approve the recommended action as presented. VOTE: Teran, Basua, and Zaragoza voted in favor; the motion carried 3-0.

3. Public Works Department

SUBJECT: Fiscal Year 2021-22 Special Tax Levy for Community Facility Districts No. 1, 2, 3, 4, 5 and 2000-3.

RECOMMENDATION: That the Finance and Governance Committee recommend that the City Council acting as the legislative body for Community Facilities Districts (CFD) No. 1, 2, 3, 4, 5 and 2000-3:

1. Adopt a resolution setting a special tax rate within CFD No. 1 (Westport at Mandalay Bay) for Fiscal Year 2021-22;
2. Adopt a resolution setting a special tax rate within CFD No. 2 (Westport at Mandalay Bay) for Fiscal Year 2021-22;
3. Adopt a resolution setting a special tax rate within CFD No. 3 (Seabridge at Mandalay Bay) for Fiscal Year 2021-22;
4. Adopt a resolution setting a special tax rate within CFD No. 4 (Seabridge at Mandalay Bay) for Fiscal Year 2021-22;
5. Adopt a resolution setting a special tax rate within CFD No. 5 (Riverpark) for Fiscal Year 2021-22;
6. Adopt a resolution setting a special tax rate within CFD No. 2000-3 (Oxnard Boulevard/Highway 101 Interchange) for Fiscal Year 2021-22; and
7. Authorize the Special Districts Manager, or designee, to execute an agreement

for Billing of Direct Assessments with the Ventura County Auditor-Controller to provide the service of placement of direct assessments on the Ventura County Secured Tax Roll.

Steve Howlett, Assistant Public Works Director answered the Committee's questions. No public comments were heard. Discussion ensued among the Committee and staff.

It was moved by Member Basua, seconded by Member Teran, to approve the recommended action as presented. VOTE: Zaragoza, Basua, and Teran voted in favor; the motion carried 3-0.

E. ITEMS FOR FUTURE AGENDAS (No requests were made.)

F. ADJOURNMENT

There being no further business on the agenda, and without objection, Chair Zaragoza adjourned the meeting at 5:37 p.m.

ROSE CHAPARRO
City Clerk

JOHN C. ZARAGOZA
Chair

MINUTES
OXNARD CITY COUNCIL
FINANCE AND GOVERNANCE COMMITTEE
Regular Meeting
June 8, 2021

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

At 5:03 p.m., Chair John C. Zaragoza called to order the regular meeting of the Oxnard City Council Finance and Governance Committee in the City Hall Council Chambers at 305 W. Third Street, Oxnard, California. The City Clerk called the roll and announced the posting of the agenda. Chair Zaragoza was present in person. Members Gabriela Basua and Gabriel (Gabe) Teran participated via videoconference.

Staff members present in person were Stephen M. Fischer, City Attorney; and Rose Chaparro, City Clerk.

Staff members that participated via videoconference were Alexander Nguyen, City Manager; Ashley Golden, Assistant City Manager; Shiri Klima, Deputy City Manager; Kevin Riper, Chief Financial Officer; Mike More, Human Resources Risk Manager; and Steve Howlett, Assistant Public Works Director.

Henry Oum, CPA Audit Partner with Price Paige & Company also participated via videoconference.

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Public comments were received from Ronald Arruejo (redistricting).

C. CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Minutes

RECOMMENDATION: That the Finance and Governance Committee approve the minutes of the February 9, 2021 and February 23, 2021 regular meetings as presented.

It was moved by Member Teran, seconded by Member Basua, to approve the Information/Consent item as presented. VOTE: Teran, Basua, and Zaragoza voted in favor; the motion carried 3-0.

D. REPORTS

1. Human Resources Department

SUBJECT: Delegation of Retirement Plan Functions.

RECOMMENDATION: That the Finance and Governance Committee recommend that

the City Council adopt a resolution:

1. Appointing the Administrator for the City's 457(b) and 401(a) plans; and
2. Delegating amendment authority over the City's 457(b) and 401(a) plans.

Mike More, Human Resources Risk Manager answered the Committee's questions. No public comments were received. Discussion ensued among the Committee and staff.

It was moved by Member Teran, seconded by Member Basua, to approve the recommended action as presented. VOTE: Basua, Teran, and Zaragoza voted in favor; the motion carried 3-0.

2. City Manager Department

SUBJECT: City of Oxnard Whistleblower Summary Update.

RECOMMENDATION: That the Finance and Governance Committee recommends City Council receive and file the update on whistleblower matters. (Presentation will be live upon consultant's request).

Shiri Klima, Deputy City Manager introduced Henry Oum, CPA Audit Partner with Price Paige and Company. Mr. Oum presented and answered the Committee's questions. No public comments were received. Discussion ensued among the Committee and staff.

It was moved by Member Teran, seconded by Member Basua, to approve the recommended action as presented. VOTE: Zaragoza, Basua, and Teran voted in favor; the motion carried 3-0.

E. ITEMS FOR FUTURE AGENDAS

Councilmember Teran requested that the City Manager review the CFD 5 for the River Park Neighborhood assessment and report at the next Council meeting.

F. ADJOURNMENT

There being no further business on the agenda, and without objection, Chair Zaragoza adjourned the meeting at 5:38 p.m.

ROSE CHAPARRO
City Clerk

JOHN C. ZARAGOZA
Chair



FINANCE AND GOVERNANCE COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.1

DATE: July 27, 2021

TO: Finance & Governance Committee

FROM: Brian Yanez, Acting Public Works Director, (805) 200-5412, brian.yanez@oxnard.org

SUBJECT: Proposed Formation of the City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay) and Approval of Deposit and Reimbursement Agreement and Special Tax Disbursement Agreement. (0/5/5)

RECOMMENDATION

That the Finance and Governance Committee recommend that the City Council adopt the following resolutions:

1. A Resolution Approving a Deposit and Reimbursement Agreement and Special Tax Disbursement Agreement Relating to the Proposed City of Oxnard Community Facilities District No. 9 (Northshore At Mandalay Bay);
2. A Resolution of Intention to Establish City of Oxnard Community Facilities District No. 9 (Northshore At Mandalay Bay); and
3. A Resolution of Intention to Incur Bonded Indebtedness in the Amount Not to Exceed \$22,000,000 within the Proposed City of Oxnard Community Facilities District No. 9 (Northshore At Mandalay Bay).

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/9Nde_zwZfTA

BACKGROUND

Community Facilities Districts (“CFDs”) are established pursuant to the provisions of the California Government Code Section 53311 et seq. (commonly known as the “Mello-Roos Community Facilities Act of 1982”) (the “Act”), and are a form of financing district that can be used by cities, counties, school district, and special districts. CFDs raise money through special taxes that must be approved by 2/3 of the voters within a CFD. The City Council is the legislative body of any CFD the City forms. Most often, CFDs are formed by the landowner prior to subdivision. A CFD can be formed to finance a wide list of improvements, which include roads, water facilities, sewers and schools. They are also used to finance ongoing maintenance services of the facilities or for services such as remediation of hazardous substances, landscaping, streets, lighting and drainage facilities. The taxes are secured by a continuing lien and are levied against property within the CFD on an annual basis. The revenue stream is used to pay debt service on bonds, to finance facilities on a pay-as-you-go basis, and to pay for services, or a combination thereof.

The City established Community Facilities District No. 6 (North Shore at Mandalay Bay) (the “2006 CFD”) in

2006 for the prior proposed development located in the City, at the northeastern corner of the intersection of West Fifth Street and Harbor Boulevard, and now commonly known as “Northshore at Mandalay Bay” (the “Property”), to finance the cost and expense of providing public improvements and services within the 2006 CFD.

There were two special tax components to the 2006 CFD. Special Tax A (currently at \$5,581,558.89) is the special tax which could be levied each year to fund the annual facilities special tax component. Special Tax A can be levied until Fiscal Year 2045/46. The other special tax component is Special Tax B (currently at \$1,897,411.41), which can be levied to fund the annual services special tax component. Special Tax B can be levied in perpetuity in order to satisfy the services special tax requirement. The City has not yet issued bonds for the 2006 CFD, but the City is authorized to incur bonded indebtedness in a maximum aggregate principal amount not to exceed \$30,000,000.

The City has never levied Special Tax A as no bonds were sold and has not levied Special Tax B on parcels in the 2006 CFD since Fiscal Year 2014/15 and did not levy a 2020/21 special tax for the 2006 CFD. There are currently no services being performed in the 2006 CFD. 2006 CFD has a balance of a little over \$500,000 of collected special taxes.

The current owner and developer, MPL Property Holdings LLC (the “Landowner”), has requested either a replacement CFD or a modification to the existing 2006 CFD to include (a) a facilities special tax for the life of any bond issues, (b) a services special tax in perpetuity and (c) an environmental special tax for remediation, operation and maintenance activities as required and approved, and for the duration needed, by the Department of Toxic Substances Control (“DTSC”). Staff recommends a new CFD rather than trying to amend the 2006 CFD to allow the City to prioritize facilities and fees to be financed (50% direct facilities to be acquired and 50% impact fees to be paid by bond proceeds) while also making sure the effective tax rate for residences is under 2% when looking at the combined general taxes and the three CFD special taxes. The new CFD will have a not to exceed bond authorization of \$22,000,000. Once the new CFD is formed and special taxes voted for, the 2006 CFD will be dissolved.

The current development plan is for 292 single family residences.

DISCUSSION

Purpose. A replacement CFD is proposed to be established for the purpose of funding the following:

- (a) public infrastructure facilities and other governmental facilities, including fees related thereto, with an estimated useful life of five years or longer, including but not limited to all or a portion of sanitary sewer, water, street, storm drain and park facilities, public art or other real or tangible property, and related costs including design, inspection, professional fees, and acquisition costs (the “Facilities”) through the levy of a Special Tax – Facilities to pay debt service on one or more bond issues or pay-as-you-go facilities as long as bonds are outstanding;
- (b) services including, but not limited to, landscaping, streetlighting, maintenance of sewer, storm drain, irrigation systems, beaches and parks, beach patrol, and weed abatement (the “General Services”) through the levy of a Special Tax – Services on an annual basis in perpetuity; and
- (c) the remediation of any hazardous substance released or threatened to be released into the environment on the Property and any associated operation, maintenance and/or monitoring activities as more particularly

described in the Response Plan approved by DTSC on December 17, 2018 (the “Response Plan”), the Operation and Maintenance Plan approved by DTSC on March 7, 2019 (“O&M Plan”) and any additional remedial activities or protective measures (collectively, the “Remediation Services”) through the levy of a Special Tax- Environmental on an annual basis as long as determined by DTSC.

All parties have reviewed the parameters of the special tax formula or the Rate and Method of Apportionment (the “RMA”), which includes the assigned and maximum special taxes for the Facilities, the General Services and the Remediation Services. The Special Taxes will be levied each year according to the RMA and placed on the County property tax rolls.

The first Resolution, Attachment 2, approves the form of a deposit and reimbursement agreement with the Landowner. The Landowner has made a deposit of \$60,000 to the City toward the costs of forming the CFD, including the costs of staff and consultant time. The costs of forming the CFD are the responsibility of the Landowner. If bonds are issued, the Landowner will be reimbursed from the proceeds of the bonds.

Special Tax – Facilities. The annual Special Tax – Facilities levy is used to pay debt service on bonds or for facilities on a pay-as-you-go basis, or a combination thereof. Upon completion of the formation and election process for the CFD and once development has progressed sufficiently as determined by the City (estimated to be sometime in next few years), the City anticipates that the CFD will issue one or more series of Special Tax Bonds (the “Bonds”), to acquire the Facilities built by the Landowner and to pay or reimburse the Landowner for the payment of certain impact fees related to Facilities as provided in a Funding and Acquisition Agreement (to be brought before the Council at the next meeting), and to reimburse the Landowner for formation costs of the CFD as provided in the Deposit and Reimbursement Agreement. The proposed bond authorization for the District is not to exceed \$22,000,000 million. It is the intent of the proposed CFD to issue one or more series of Bonds with a 30-year maturity with escalating debt service of 2% per year.

The RMA includes an assigned tax and a back-up tax for the Special Tax – Facilities for developed property in case the number of residential units built is less than estimated. Once developed property is taxed, undeveloped and contingent property will be taxed if needed. The maximum Special Tax –Facilities escalates at a rate of 2% commencing July 1, 2023.

Exhibit A, attached hereto contains a description of the estimated facilities and impact fees and an estimated budget therefore. The budget exceeds the amount of facilities and fees which are currently estimated to be financed by the Bonds. Facilities, including fees, not financed by the CFD are still required to be provided by the Landowner.

Special Tax – Services. The Special Tax – Services will be levied annually in perpetuity to finance the General Services. **Exhibit B**, attached hereto contains a description and estimated budget of the general services to be provided. Once developed property is taxed at the maximum rate, undeveloped and contingent property will be taxed if needed. The maximum Special Tax – Service escalates at the greater of 2% or a CPI escalation factor not to exceed 5% commencing July 1, 2023. The Special Tax – Services takes the place of a traditional maintenance assessment district.

Special Tax – Environmental. The Special Tax – Environmental will be collected by the CFD and turned over to the newly formed nonprofit, the Northshore Environmental Conservancy (“NEC”), to pay for the annual budget of the Remediation Services approved by DTSC, all as provided in a Special Tax and Disbursement Agreement among the City (on behalf of itself and the proposed CFD), the Landowner and NEC, with DTSC as a beneficiary thereto. The Special Tax Disbursement Agreement will be relied on by the Landowner and

DTSC as a means by which the Remediation Services will be funded and is considered a debt or obligation of the proposed CFD.

The RMA includes an assigned tax and a back-up tax for the Special Tax – Environmental for developed property in case the number of residential units built is less than estimated. Once developed property is taxed at the maximum rate, undeveloped and contingent property will be taxed if needed. The maximum Special Tax – Environmental escalates at the rate of 2% commencing July 1, 2023.

Upon the issuance of a certificate of completion or its substantial equivalent by DTSC for all the Remediation Services, the Special Tax – Environmental will no longer be levied.

Process/Proposed Timeline. A petition to form the CFD has been received from the Landowner covering the Property, consisting of approximately 90 acres (Attachment 1). The formal Council approval process to create a new CFD takes approximately 60 to 75 days.

First Step (at this meeting): Finance Committee recommend the City Council's approval of the three items in the Recommendations.

Second Step (at City Council meeting on September 7): City Council adopts the resolution approving the forms of the Deposit and Reimbursement agreement and the Special Tax Disbursement Agreement (Attachments 2 and 5).

Third Step (at City Council meeting on September 7): City Council adopts a resolution of intention to form the CFD (“ROI”) and a resolution of intention to incur debt (Attachments 3 and 4). Once the City has declared its intention to establish the CFD to be named “City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay)”, a public hearing will be held (scheduled for October 5, 2021).

Fourth Step (at City Council meeting on October 5): City Council holds a public hearing (Landowner has waived the 30-day waiting period). Provided there is no majority protest, the CFD will be established.

Fifth and Sixth Steps (at City Council meetings of October 5 and October 19): City Council, acting as the legislative body of the CFD, conducts a special mailed ballot election and adopts an ordinance levying the special tax. The Landowner has waived election time lines, so an election may be held on October 5, 2021 to authorize the levy of an annual special tax on such property. Should the proposition pass with a two-thirds vote from the qualified voters (the Landowner), the City may hold the first reading of an ordinance on October 5, 2021 and adopt the ordinance on October 19, 2021, along with a resolution transferring assets of the 2006 CFD to the CFD and approving the dissolution of the 2006 CFD.

At a later date, the CFD in its sole discretion will determine the final amount of Bonds issued. The proposed maximum bond authorization is \$22,000,000. The “not to exceed” bond amount for the CFD is based on Facilities costs and available Special Tax - Facilities.

If the action is approved, the formation of the replacement CFD, special election and approval of other related documents will occur on October 5, 2021. Currently, it is not expected that Bonds will be authorized for issuance or sale until the development is well underway and the Facilities are at or near completion, at which time documents relating to the issuance and sale of the bonds will be brought to the Council for its approval.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the five strategic priorities adopted by City Council on March 16, 2021.

FINANCIAL IMPACT

There is no direct financial impact in approving these resolutions. There is no financial impact to the General Fund.

Prepared by: Steve Howlett, Assistant Public Works Director

ATTACHMENTS

1. Oxnard CFD 2020-1 (North Shore At Mandalay Bay) Petition and Waiver
2. Resolution Approving Deposit Agreement and Special Tax Disbursemeent Agr...
3. Resolution of Intention
4. Resolution of Intention to Incur Debt
5. Deposit and Reimbursement Agreement - Oxnard Northshore at Mandalay Bay
6. CFD 9 Northshore Special Tax Analysis
7. Special Districts Map_Legend
8. CFD Presentation
9. Exhibit A
10. Exhibit B

7/7/21

TO: CITY COUNCIL OF CITY OF OXNARD

FROM: MPL PROPERTY HOLDINGS, LLC

**PETITION REQUESTING THE ESTABLISHMENT
OF A COMMUNITY FACILITIES DISTRICT
(INCLUDING CONSENT AND WAIVER OF CERTAIN PROCEDURES
AND TIME REQUIREMENTS WITH RESPECT TO PUBLIC HEARING
AND LANDOWNER ELECTION)**

The undersigned, on behalf of MPL PROPERTY HOLDINGS, LLC, a Delaware limited liability company (the "Property Owner"), does hereby certify under penalty of perjury that the following statements are all true and correct:

1. The undersigned is authorized to represent the Property Owner and has the authority to petition the City Council (the "Council") of the City of Oxnard (the "City") and to give the consent and waiver contained herein with respect to a Community Facilities District to be established over the properties included within this petition (the "CFD") to be formed under the provisions of the Mello-Roos Community Facilities Act of 1982 (the "Act"), being Chapter 2.5 of Part 1 of Division 2 of title 5 (commencing with Section 53311) of the California Government Code.

2. The undersigned hereby certifies that as of the date of this Petition, the Property Owner is the owner of all of the property within the proposed boundary of the CFD, consisting of approximately 90.26 acres of land (the "Property") as described in Exhibit "A" hereto.

3. The undersigned, pursuant to Section 53318 of the Act, hereby requests that proceedings be commenced (i) to establish the CFD (A) for the purpose of replacing the previously established City of Oxnard Community Facilities District No. 6, (B) for the purpose of financing the purchase, construction, expansion, modification, rehabilitation or improvement of all or a portion of certain public capital improvements and fees related thereto, including but not limited to sanitary sewer, water, street, storm drain and park facilities, public art or other real or tangible property with an estimated useful life of five years or longer and (C) for the provision of certain services, including but not limited to landscaping, streetlighting, maintenance of sewer, storm drain, irrigation systems, beaches and parks, beach patrol, weed abatement, and the remediation, operation, maintenance and monitoring of any hazardous substance released or threatened to be released into the environment on the Property as more particularly described in the Response Plan approved by DTSC on December 17, 2018 (the "Response Plan"), the Operation and Maintenance Plan approved by DTSC on March 7, 2019 ("O&M Plan") and any additional remedial activities or protective measures (ii) to authorize the issuance of bonds for the CFD, and (iii) to establish an appropriations limit for the CFD.

4. The undersigned has had an opportunity to consult with legal counsel with respect to the matters contained herein and is fully and completely informed of and understands the matters contained herein.

5. The undersigned hereby certifies that, to the undersigned's actual knowledge, there are no registered voters residing within the Property and the undersigned does not anticipate that there will be any, during the 90-day period preceding the October 5, 2021 public hearing to be conducted by the City Council pursuant to Government Code Section 53339.5.

6. The Property Owner hereby requests that the City conduct a formation proceeding as soon as possible notwithstanding Section 53321 of the Act, hereby waives the requirement of Section 53321 of the Act requiring at least 30 days between adoption of the resolution of intention to form the CFD and the public hearing, hereby consents to the legislative body of the District setting the public hearing for 28 days from the adoption of the resolution of intention to form the CFD, and hereby indemnifies the City and its officers, agents, successors and assigns from and against all claims, losses and damages, including legal fees and expenses, arising out of or due to the waiver of time limits under the Act.

7. On or about June 8, 2021, the Property Owner and the appropriate officers thereof were made aware of the October 5, 2021 public hearing to be held regarding the formation of the CFD. The undersigned agrees that it received adequate notice of the hearing. The Property Owner and the appropriate officers thereof have received necessary and relevant information regarding the CFD and the imposition of the special tax and the CFD has made available to the Property Owner sufficient opportunity to obtain such information.

8. In accordance with the provisions of the Act, and specifically Sections 53326(a) and 53327(b) thereof allowing certain time and conduct requirements relative to a special landowner election to be waived with the unanimous consent of all the landowners to be included in a community facilities district and concurrence of the election official conducting the election, the undersigned (i) expressly consents to the conduct of the special election at the earliest possible time following the adoption by the City Council of a resolution forming the CFD and (ii) expressly waives any requirement to have the special election conducted within the time periods specified in Section 53326 of the Act or in the California Elections Code.

9. The undersigned waives any requirement for the mailing of the ballot for the special election and expressly agrees that said election may be conducted by mailed or hand-delivered ballot to be returned as quickly as possible to the designated election official, being the office of the City Clerk and the undersigned requests that the results of said election be canvassed and reported to the Council at the same meeting of the Council as the public hearing on the formation of the CFD or the next available meeting.

10. The undersigned expressly waives all applicable waiting periods for the election and waives the requirement for analysis and arguments relating to the special election, as set forth in Section 53327 of the Act, and consents to not having such materials provided to the landowner in the ballot packet, and expressly waives any requirements as to the form of the ballot.

11. The undersigned expressly waives all notice requirements relating to hearings and special elections, whether by posting, publishing or mailing, and whether such requirements are found in the California Elections Code, the California Government Code or other laws or procedures, including but not limited to any notice provided for by compliance with the provisions of Section 4101 of the California Elections Code.

12. Property Owner hereby appoints Thomas Feldstein, as its authorized representative to vote in the election referred to herein and certifies that his true and exact signature is set forth below:

[signature]

13. The undersigned hereby consents to and expressly waives any and all claims based on any irregularity, error, mistake or departure from the provisions of the Act (other than the holding and accurate counting of votes at the election) or other laws of the State and any and all laws and requirements incorporated therein, and no step or action in any proceeding relative to the CFD or the special election therein shall be invalidated or affected by any such irregularity, error, mistake or departure.

IN WITNESS WHEREOF, we hereunto set our hand this ____ day of June, 2021.

MPL PROPERTY HOLDINGS, LLC,
a Delaware limited liability company

[MPL SIGNATURE BLOCK]

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF OXNARD THIS
____ DAY OF _____, 2021.

City Clerk

EXHIBIT A
DESCRIPTION OF THE PROPERTY
AND
PROPOSED BOUNDARY OF
CITY OF OXNARD CFD NO. 9 (NORTHSHORE AT MANDALAY BAY)

The following described property is situated in the City of Oxnard, County of Ventura, State of California:

Tracts 5592-1 & 5592-2

RESOLUTION NO. 2021- _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD, CALIFORNIA,
APPROVING A DEPOSIT AND REIMBURSEMENT AGREEMENT AND SPECIAL TAX
DISBURSEMENT AGREEMENT RELATING TO THE PROPOSED CITY OF OXNARD
COMMUNITY FACILITIES DISTRICT NO. 9 (NORTHSHORE AT MANDALAY BAY)

WHEREAS, the City Council (the “City Council”) of the City of Oxnard (the “City”) intends to form a community facilities district pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the “Act”), to be known as the City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay) (the “CFD”) to replace the previously formed City of Oxnard Community Facilities District No. 6; and

WHEREAS, Section 53314.9 of the Act provides that, at any time either before or after the formation of a community facilities district, the legislative body may accept advances of funds from any source, including, but not limited to, private persons or private entities and may provide, by resolution, for the use of those funds for any authorized purpose, including, but not limited to, paying any cost incurred by the local agency in creating a community facilities district (including the issuance of bonds thereby); and

WHEREAS, MPL Property Holdings, LLC (“MPL”), as owner of the property to be included within the CFD (the “Property”), has made a security deposit with the City to cover certain costs of formation which are eligible for reimbursement upon the sale of bonds by the CFD from the proceeds of such bonds; and

WHEREAS, MPL has petitioned the City that an integral part of the CFD be the inclusion of services to finance the remediation, operation, maintenance and monitoring of the Property as more particularly described in the Response Plan approved by the California Department of Toxic Substances Control (“DTSC”) on December 17, 2018, the Operation and Maintenance Plan approved by DTSC on March 7, 2019, and any additional remedial activities or protective measures as may be required by DTSC or other regulatory body with jurisdiction over the remediation of the Property (“Remediation Services”); and

WHEREAS, there have been submitted to this City Council a Deposit and Reimbursement Agreement relating to the security deposit and a Special Tax Disbursement Agreement relating to the levy, collection and disbursement of a special tax for the Remediation Services by the proposed CFD, and this City Council, with the aid of its staff, has reviewed said documents and found them to be in proper order.

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

PART 1. The above recitals are true and correct.

PART 2. The City Council hereby approves the Deposit and Reimbursement Agreement by and between the City and MPL, in substantially the form presented to the City

Council at this meeting. The Mayor, the City Manager, the Assistant City Manager and Finance Director are hereby authorized to execute the Deposit and Reimbursement Agreement with such revisions, amendments and completions as shall be approved by the officer executing the same, such approval to be conclusively evidenced by the execution and delivery thereof.

PART 3. Pursuant to Section 53317 of the Act, debt includes any binding obligation of the CFD to pay or repay a sum of money, including obligations in the form of long-term contracts such as the Special Tax Disbursement Agreement. In accordance with the Act and subject to its terms, the City Council hereby declares that the Special Tax Disbursement Agreement constitutes debt of the proposed CFD to finance the Remediation Services.

PART 4. The City Council hereby approves the Special Tax Disbursement Agreement by and among the City, on behalf of itself and the proposed CFD, MPL and the Northshore Environmental Conservancy, with DTSC as a beneficiary thereto, in substantially the form presented to the City Council at this meeting. The Mayor, the City Manager, the Assistant City Manager and Finance Director are hereby authorized to execute the Special Tax Disbursement Agreement with such revisions, amendments and completions as shall be approved by the officer executing the same, such approval to be conclusively evidenced by the execution and delivery thereof.

PART 5. The City Clerk shall certify to the adoption of this Resolution.

The foregoing Resolution was adopted at a regular meeting of the City Council of the City of Oxnard, State of California, held on the ____ day of _____, 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

John Zaragoza, Mayor

ATTEST:

APPROVED AS TO FORM:

Rose Chaparro, City Clerk

Stephen M. Fischer, City Attorney

RESOLUTION NO. 2021- _____

RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF OXNARD,
CALIFORNIA, TO ESTABLISH CITY OF OXNARD COMMUNITY FACILITIES
DISTRICT NO. 9 (NORTHSHORE AT MANDALAY BAY)

WHEREAS, the City Council (the "Council") of the City of Oxnard (the "City") has received a petition (the "Petition") requesting the institution of proceedings for (i) formation of a community facilities district (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the California Government Code (the "Act"), (ii) authorization of the levying and collection of Special Taxes as defined below, (iii) authorization of the issuance of debt for the CFD, (iv) establishment of an appropriations limit for the CFD, and (v) replacement of the previously formed City of Oxnard Community Facilities District No. 6 in accordance with the terms of this Resolution; and

WHEREAS, the Council has determined that the Petition complies with the requirements of Government Code Section 53318(c) and now intends to initiate such proceedings; and

WHEREAS, it is the intention of the Council to finance the purchase, construction, expansion, modification, rehabilitation or improvement of the Facilities (as defined below) and to finance the Services (as defined below) or any combination thereof through the formation of the CFD, subject to the authorization of debt and the levy of a special tax being approved at an election to be held within the boundaries of the CFD.

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

PART 1. The Council hereby proposes to institute proceedings for the formation of a community facilities district under the terms of the Act. The exterior boundaries of the CFD are hereby specified and described to be as shown on that certain map now on file in the office of the City Clerk entitled "Map of Proposed Boundaries City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay)" and as depicted hereto as Exhibit A, which map indicates by a boundary line the extent of the territory included in the CFD, and shall govern for all details as to the extent of the CFD. On the original and one copy of the map on file in the City Clerk's office, the City Clerk shall endorse the certificate evidencing the date and adoption of this Resolution. The City Clerk shall file the original of such map in her office and, within fifteen (15) days after the adoption of this Resolution, the City Clerk shall file a copy of such map so endorsed in the records of the County Recorder, County of Ventura, State of California.

PART 2. The name of the proposed community facilities district shall be "City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay)."

PART 3. The facilities proposed to be financed by the CFD are public infrastructure facilities and other governmental facilities, including fees related thereto, with an estimated useful life of five years or longer, which the CFD is authorized by law to construct, own or operate and that are necessary to meet increased demands placed upon the City as a result of

development occurring within the proposed the CFD, including but not limited to all or a portion of sanitary sewer, water, street, storm drain and park facilities, public art or other real or tangible property, and related costs including design, inspection, professional fees, and acquisition costs (the "Facilities"). Such Facilities need not be physically located within the CFD.

The types of services proposed to be provided for and financed by the CFD include, but shall not limited to, landscaping, streetlighting, maintenance of sewer, storm drain, irrigation systems, beaches and parks, beach patrol, and weed abatement (the "General Services"), and the remediation, operation, maintenance and/or monitoring of any hazardous substance released or threatened to be released into the environment on the Property as more particularly described in the Response Plan approved by the Department of Toxic Substances Control ("DTSC") on December 17, 2018 (the "Response Plan"), the Operation and Maintenance Plan approved by DTSC on March 7, 2019 ("O&M Plan") and any additional remedial activities or protective measures (collectively, the "Remediation Services" and together with the General Services, the "Services"), which Services are in addition to and do not supplant those services already provided in the territory within the CFD prior to the establishment of the CFD.

PART 4. Except where funds are otherwise available, it is the intention of the Council to levy annually in accordance with procedures contained in the Act (i) a special tax within the CFD sufficient to pay for the costs of financing the purchase, construction, expansion, modification, rehabilitation or improvement of the Facilities (the "Special Tax – Facilities"), including the principal of and interest on two or more series of the bonds proposed to be issued to finance the Facilities and other periodic costs, the establishment and replenishment of reserve funds, the remarketing, credit enhancement and liquidity fees, the costs of administering the levy and collection of the Special Taxes and all other costs of the levy of the Special Taxes and issuance of the bonds, including any foreclosure proceedings, architectural, engineering, inspection, legal, fiscal, and financial consultant fees, discount fees, interest on bonds (but not to exceed two years), election costs and all costs of issuance of the bonds, including, but not limited to, fees for bond counsel, disclosure counsel, financing consultants and printing costs, and all other administrative costs of the tax levy and bond issues, (ii) a special tax within the CFD sufficient to pay for the costs of financing the General Services (the "Special Tax - Services"), and (iii) a special tax within the CFD sufficient to pay for the costs of financing the Remediation Services (the "Special Tax - Environmental," and together with Special Tax - Facilities and the Special Tax - Services, the "Special Taxes"), including the obligation of the CFD with respect to Special Tax - Environmental under the Special Tax Disbursement Agreement (the "Special Tax Disbursement Agreement"), by and among the City, on behalf of itself and the CFD, MPL Property Holdings LLC, and Northshore Environmental Conservancy. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the Streets and Highways Code of the State of California, a continuing lien to secure each levy of the Special Taxes shall attach to all nonexempt real property in the CFD, and that lien shall continue in force and effect until collection of the Special Taxes ceases.

The schedule of the rate and method of apportionment (the "RMA") and manner of collection of the Special Taxes are described in detail in Exhibit B attached hereto and by this reference incorporated herein. The Special Taxes are based upon the cost of financing the Facilities and the Services in the CFD, the demand that each parcel will place on the Facilities

and the Services and the benefit (direct and/or indirect) received by each parcel from the Facilities and the Services. The RMA provides sufficient detail to allow each owner of nonexempt real property within the CFD to estimate the maximum amount that such person will have to pay for the Facilities and the Services.

The Special Taxes are apportioned to each parcel on the foregoing basis pursuant to Section 53325.3 of the Act and as described in the RMA and such Special Taxes are not levied on or based upon the value or ownership of real property. In the event that a portion of the property within the CFD shall become for any reason exempt, wholly or partially, from the levy of the Special Taxes, the Council shall, on behalf of the CFD, increase the levy to the extent necessary upon the remaining property within the CFD which is not delinquent or exempt in order to yield the required payments, subject to the maximum tax. Under no circumstances, however, shall the Special Tax - Facilities levied in any fiscal year against any parcel used for private residential purposes be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within the CFD by more than 10 percent above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults. Furthermore, the maximum Special Tax - Facilities authorized to be levied against any parcel used for private residential purposes shall not be increased over time in excess of 2 percent per year.

Special Tax - Facilities shall not be levied or collected after fiscal year 2065-66, except that Special Tax - Facilities that was lawfully levied in or before such final tax year and that remains delinquent may be collected in subsequent years. Special Tax - Services shall be levied and collected in perpetuity. Special Tax - Environmental shall be levied and collected as provided in the RMA.

The Council hereby determines that the maximum Special Tax – Facilities may include an increase of no more than 2% per year as described in the RMA.

PART 5. Pursuant to Section 53340 of the Act, and except as provided in Section 53317.3 of the Act or in the RMA, properties of entities of the state, federal, and local governments shall be exempt from the levy of the Special Taxes.

PART 6. The Council hereby finds that the proposed Facilities and Services are necessary to meet increased demands put upon the City as a result of the new development within the proposed the CFD.

PART 7. In the petition, the landowner waived the 30-day notice of the holding of a public hearing (the “Hearing”) on the establishment of the CFD and the proposed rate and method of apportionment of the Special Tax. The Hearing shall be held on September 21, 2021, at 6:00 p.m., or as soon thereafter as practicable, at the chambers of the City Council of the City of Oxnard, 305 West Third Street, Oxnard, CA 93030. At the time and place set forth for the Hearing, any interested person, including all persons owning lands or registered to vote within the proposed CFD may appear or be heard. Any protests may be made orally or in writing, except that any protests pertaining to the regularity or sufficiency of such proceedings shall be in writing and shall clearly set forth the irregularities and defects to which the objection is made. All written protests shall be filed with the City Clerk on or before the time fixed for such

Hearing, and any written protest may be withdrawn in writing at any time before the conclusion of such Hearing. If written protests against the formation of the CFD are filed by (a) fifty percent (50%) or more of the registered voters, or six (6) registered voters, whichever is greater, residing within the proposed CFD, or (b) the owners of one-half ($\frac{1}{2}$) or more of the area of land included within the proposed CFD, the proceedings shall be abandoned. If said majority protest is limited to certain types of services or certain provisions of the special tax, those services or those provisions of the tax must be eliminated by the Council.

PART 8. Each officer of the City who is or will be responsible for the Facilities and the Services to be financed by the CFD, if it is established, is hereby directed to study the proposed the CFD and, at or before the time of the above-mentioned Hearing, file the following reports with the Council which are to be made a part of the record of the Hearing: (a) a report containing a brief description of the Facilities and Services by type which will in his or her opinion be required to adequately meet the needs of the CFD and his or her estimate of the cost of providing the Facilities and Services, and (b) a remedial action plan based upon factors comparable to those described in subdivision (d) of Section 25356.1 of the Health and Safety Code, which may consist of the Response Action Documents as defined in the Special Tax Disbursement Agreement. The Project Manager Special Assessment Districts is directed to estimate the fair and reasonable cost of all incidental expenses, including the cost of planning and designing the Facilities and Services to be financed pursuant to the Act, including the cost of environmental evaluations of such Facilities, all costs associated with the creation of the CFD, issuance of debt, determination of the amount of any Special Taxes, collection of any Special Taxes, or costs otherwise incurred in order to carry out the authorized purposes of the City with respect to the CFD, and any other expenses incidental to the construction, completion and inspection of the authorized work to be paid through the proposed financing.

PART 9. Pursuant to Section 53314.9 of the Act, the City may accept advances of funds from any sources, including private persons or private entities, and is authorized and directed to use such funds for any authorized purpose, including any cost incurred by the City in creating the CFD. The City may enter into an agreement to repay all of such funds as are not expended or committed for any authorized purpose at the time of the election on the levy of the Special Tax, if the proposal to levy such tax should fail, and to repay all of such funds advanced if the levy of the Special Tax shall be approved by the qualified electors of the CFD.

PART 10. The City Clerk is hereby directed to publish a notice ("Notice") of the Hearing pursuant to Section 6061 of the Government Code in a newspaper of general circulation published in the area of the proposed CFD. Such Notice shall contain the text or a summary of this Resolution, state the time and place of the Hearing, a statement that the testimony of all interested persons or taxpayers will be heard, a description of the protest rights of the registered voters and landowners in the proposed CFD, as provided in Section 53322 of the Act and a description of the proposed voting procedure for the election required by the Act. Such publication shall be completed at least seven (7) days prior to the date of the Hearing.

PART 11. Pursuant to Section 53344.1 of the Act, the Council hereby reserves to itself, in its sole discretion, the right and authority by subsequent resolution to allow any owner of property within the CFD, subject to the provisions of Section 53344.1 of the Act and those

conditions as it may impose, and any applicable prepayment penalties as prescribed in the bond indenture or comparable instrument or document, to tender to the CFD treasurer in full payment or part payment of any installment of the special taxes or the interest or penalties thereon which may be due or delinquent, but for which a bill has been received, any bond or other obligation secured thereby, the bond or other obligation to be taken at par and credit to be given for the accrued interest shown thereby computed to the date of tender.

PART 12. The voting procedures to be followed in conducting the special election, if the CFD is established, on the propositions with respect to the levy of Special Taxes on the land within proposed CFD to fund the Facilities and the Services, the incurrence of indebtedness and the establishment of an appropriations limit for the CFD (the "Election"), shall be as follows:

(a) If at least 12 persons have been registered to vote within the territory of the proposed CFD for each of the ninety (90) days preceding the close of the Hearing, the vote in the Election shall be by the registered voters of the CFD with each voter having one vote. In that event, the Election shall be conducted by the City Clerk (the "Election Official") and shall be held on a date selected by the City Council in conformance with the provisions of Section 53326 of the Act and pursuant to the provisions of the Elections Code of the State of California governing elections of cities, insofar as they may be applicable, and pursuant to said Section 53326 the ballots for the Election shall be distributed to the qualified electors of the proposed CFD by mail with return postage prepaid, and the Election shall be conducted as a mail ballot election.

(b) If at the time of the close of the Hearing, and for at least one day of the preceding ninety (90) days, less than 12 persons have been registered to vote within the territory of the proposed CFD, and pursuant to Section 53326 of the Act, the vote is therefore to be by the landowners of the proposed CFD, with each landowner of record at the close of the Hearing having one vote for each acre or portion of an acre of land that he or she owns within the proposed CFD, the Election shall be conducted by the Election Official as follows:

(1) The Election shall be held on the earliest date, following the Hearing and adoption of a resolution submitting the propositions, upon which such Election can be held pursuant to said Section 53326 which may be selected by the Council, or such earlier date as the owners of land within the proposed CFD and the Election Official agree and concur is acceptable.

(2) Pursuant to said Section 53326, the Election may be held earlier than ninety (90) days following the close of the Hearing if the qualified electors of the proposed CFD waive the time limits for conducting the elections set forth in said Section 53326 by unanimous written consent and the Election Official concurs in such earlier election date as shall be consented to by the qualified electors.

(3) Pursuant to said Section 53326, ballots for the Election shall be distributed to the qualified electors by the Election Official by mail with return postage prepaid, or by personal service.

(4) Pursuant to applicable sections of the Elections Code of the State of California governing the conduct of mail ballot elections of cities, and the City, the Election Official shall, among other things, mail or deliver or cause to be mailed or delivered to each qualified elector an official ballot in a form specified by the Council in the resolution calling the Election, and a return identification envelope with prepaid postage thereon addressed to the Election Official for returning voted official ballots.

(5) The official ballot to be mailed or delivered by the Election Official to each landowner-voter shall have printed or typed thereon the name of the landowner-voter and the number of votes to be voted by the landowner-voter and shall have appended to it a certification to be signed by the person voting the official ballot which shall certify that the person signing the certification is the person who voted the official ballot, that he or she has been authorized to vote such official ballot on behalf of the landowner-voter and if the landowner-voter is other than a natural person, that he or she is an officer of or other person affiliated with the landowner-voter entitled to vote such official ballot.

(6) The return identification envelope mailed or delivered by the Election Official to each landowner-voter shall have printed or typed thereon the following: (i) the name of the landowner, (ii) the address of the landowner, (iii) a declaration under penalty of perjury stating that the voter is the landowner or the authorized representative of the landowner entitled to vote the enclosed ballot and is the person whose name appears on the identification envelope, (iv) the printed name and signature of the voter, (v) the address of the voter, (vi) the date of signing and place of execution of said declaration, and (vii) a notice that the envelope contains an official ballot and is to be opened only by the Election Official.

(7) The instruction to voter form to be mailed or delivered by the Election Official to the landowner-voters shall inform them that the official ballots shall be returned to the Election Official properly voted as provided thereon and with the certification appended thereto properly completed and signed in the sealed return identification envelope with the certification thereon completed and signed and all other information to be inserted thereon properly inserted by the hour on the date of the Election which is specified by the Election Official for the receipt of ballots; provided that if all qualified voters have voted, the Election may be closed by the Election Official.

(8) Upon receipt of the return identification envelopes which are returned prior to the voting deadline on the date of the Election, the Election Official shall canvass the votes cast in the Election, and shall file a statement with the Council as to the results of such canvass and the election on each proposition set forth in the official ballot.

The procedures set forth in this section for conducting the Election, if held, may be modified as the Council may determine to be necessary or desirable.

PART 13. The City Clerk shall certify to the adoption of this Resolution.

The foregoing Resolution was adopted at a regular meeting of the City Council of the City of Oxnard, State of California, held on the ____ day of September, 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

John Zaragoza, Mayor

ATTEST:

APPROVED AS TO FORM:

Rose Chaparro, City Clerk

Stephen M. Fischer, City Attorney

EXHIBIT A
PROPOSED BOUNDARY MAP OF
CITY OF OXNARD COMMUNITY FACILITIES DISTRICT NO. 9
(NORTHSHORE AT MANDALAY BAY)

EXHIBIT B

PROPOSED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

RESOLUTION NO. 2021- _____

RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF OXNARD,
CALIFORNIA, TO INCUR BONDED INDEBTEDNESS IN THE AMOUNT NOT TO
EXCEED \$[22,000,000] WITHIN THE PROPOSED CITY OF OXNARD COMMUNITY
FACILITIES DISTRICT NO. 9 (NORTHSHORE AT MANDALAY BAY)

WHEREAS, the City Council (the “City Council”) of the City of Oxnard (the “City”) has heretofore adopted Resolution No. 2021- _____ (the “Resolution of Intention”), stating the City Council’s intention to establish City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay) (the “CFD”), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the California Government Code (the “Act”), to replace the previously formed City of Oxnard Community Facilities District No. 6, to finance the purchase, construction, expansion, modification, rehabilitation or improvement of certain public capital improvements and fees related thereto with an estimated useful life of five years or longer, which the CFD is authorized by law to construct, own or operate and that are necessary to meet increased demands placed upon the City as a result of development occurring within the proposed CFD, including but not limited to sanitary sewer, water, street, storm drain and park facilities, public art and related costs including design, inspection, professional fees, and acquisition costs (the “Facilities”); and

WHEREAS, in order to finance the Facilities it is necessary to incur bonded indebtedness on behalf of the CFD in the aggregate amount not to exceed \$[amount], the repayment of which is to be secured by Special Tax A levied in accordance with Section 53340 et seq. of the Act on all property within the CFD, other than those properties exempted from taxation as provided in the rate and method of apportionment attached as Exhibit A to the Resolution of Intention.

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

PART 1. The above recitals are true and correct.

PART 2. It is necessary to incur bonded indebtedness in one or more series within the CFD in the aggregate amount not to exceed \$[22,000,000] to finance the costs of the Facilities.

PART 3. The bonded indebtedness will be incurred for the purpose of financing the costs of purchasing, constructing, expanding, modifying, rehabilitating or improving the Facilities, the acquisition of necessary equipment and property therefor and fulfilling contractual commitments and carrying out the powers and purposes of the CFD, including, but not limited to, the financing of the costs associated with the issuance of the bonds and all other costs necessary to finance the Facilities which are permitted to be financed pursuant to the Act.

PART 4. It is the intent of the City Council, acting as the legislative body of the CFD, to authorize the sale of bonds in one or more series, in the maximum aggregate principal amount not to exceed \$[amount], bearing interest payable semi-annually or in such other manner

as the City Council shall determine at a maximum interest rate of 12 percent per annum or such rate not in excess of the maximum rate permitted by law at the time the bonds are issued. The term of the bonds of each series shall be determined pursuant to a resolution of the City Council authorizing the issuance of the bonds of such series, but such term shall in no event exceed 40 years or such longer term as is then permitted by law.

PART 5. A public hearing (the “Hearing”) on the proposed debt issue shall be held on October 5, 2021, at 6:00 p.m., or as soon thereafter as practicable, at the chambers of the City Council of the City of Oxnard, 305 West Third Street, Oxnard, CA 93030.

PART 6. At the Hearing at the time and place set forth above, any interested persons, including all persons owning land or registered to vote within the proposed CFD, may appear and be heard.

PART 7. The proposition to incur bonded indebtedness in the maximum aggregate principal amount not to exceed \$[22,000,000] shall be submitted to the qualified electors of the CFD. A special community facilities district election shall be conducted on October 5, 2021. The special election shall be conducted by hand delivered or mailed ballot election with return postage prepaid. The ballots shall be returned to the office of the election officer no later than 11:00 o’clock p.m. on October 5, 2021.

PART 8. The City Clerk is hereby directed to publish a notice (“Notice”) of the Hearing pursuant to Section 6061 of the Government Code in a newspaper of general circulation published in the area of the proposed CFD. Such Notice shall contain information set forth in Section 53346 of the Act.

PART 9. The City Clerk shall certify to the adoption of this Resolution.

The foregoing Resolution was adopted at a regular meeting of the City Council of the City of Oxnard, State of California, held on the ____ day of _____, 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

John Zaragoza, Mayor

ATTEST:

APPROVED AS TO FORM:

Rose Chaparro, City Clerk

Stephen M. Fischer, City Attorney

DEPOSIT AND REIMBURSEMENT AGREEMENT

THIS DEPOSIT AND REIMBURSEMENT AGREEMENT (this “**Deposit Agreement**”), dated as of June 1, 2021, is by and between the City of Oxnard, California (the “**City**”) and MPL Property Holdings, LLC, a Delaware limited liability company (the “**Owner**”).

RECITALS

WHEREAS, the City is considering to initiate proceedings to create a community facilities district to be designated “City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay) (the “**Community Facilities District**”) under the Mello-Roos Community Facilities Act of 1982, as amended (the “**Act**”); and

WHEREAS, Owner is the owner of the real property within the proposed Community Facilities District described in Exhibit A attached hereto (the “**Property**”); and

WHEREAS, in accordance with City’s policy regarding use of the Act, the Owner is required to reimburse the City for all costs actually incurred by the City on a reasonable basis in the formation of the Community Facilities District and issuance of bonds for the Community Facilities District; and

WHEREAS, Section 53314.9 of the Act provides that, at any time either before or after the formation of a community facilities district, the legislative body may accept advances of funds from any source, including, but not limited to, private persons or private entities and may provide, by resolution, for the use of those funds for any authorized purpose, including, but not limited to, paying any cost incurred by the local agency in creating a community facilities district (including the issuance of bonds thereby); and

WHEREAS, Section 53314.9 of the Act further provides that the legislative body may enter into an agreement, by resolution, with the person or entity advancing the funds, to repay all or a portion of the funds advanced, as determined by the legislative body, with or without interest under all of the following conditions: (a) the proposal to repay the funds is included in both the resolution of intention to establish a community facilities district adopted pursuant to Section 53521 of the Act and in the resolution of formation to establish the community facilities district pursuant to Section 53325.1 of the Act (including the issuance of bonds thereby), (b) any proposed special tax is approved by the qualified electors of the community facilities district pursuant to the Act, and (c) any agreement shall specify that if the qualified electors of the community facilities district do not approve the proposed special tax, the local agency shall return any funds which have not been committed for any authorized purpose by the time of the election to the person or entity advancing the funds; and

WHEREAS, the City and the Owner desire to enter into this Deposit Agreement in accordance with Section 53314.9 of the Act in order to provide for the advancement of funds by the Owner to be used to pay actual costs incurred in connection with the formation of the Community Facilities District and issuance of special tax bonds for the Community Facilities District (the “**Bonds**”), and to provide for the reimbursement to the Owner of such funds advanced, without interest, from the proceeds of the Bonds;

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

Section 1. The Deposits and Application Thereof.

(a) The Owner has previously deposited with the City the amount of Sixty Thousand Dollars (\$60,000) (the “**Initial Deposit**”) which is being held by the City pursuant to Section 1(b) below. The City, by its execution hereof, acknowledges receipt of, and accepts, the Initial Deposit.

(b) The Initial Deposit, together with any subsequent deposit required to be made by the Owner pursuant to the terms hereof (collectively, the “**Deposits**”), are to be used to pay for any costs incurred for any authorized purpose in connection with the formation of the Community Facilities District and the issuance of the Bonds including, without limitation, (i) the fees and expenses of any consultants to the City employed in connection with the formation of the Community Facilities District and the issuance of the Bonds, including an engineer, special tax consultant, financial advisor, bond counsel, disclosure counsel and issuer’s counsel, and any other consultant reasonably deemed necessary or advisable by the City, (ii) the costs of appraisals, market absorption and/or feasibility studies and other reports reasonably deemed necessary or advisable by the City in connection with the formation of the Community Facilities District and issuance of the Bonds, (iii) the costs of publication of notices, preparation and mailing of ballots and other costs related to any hearing, election or other action or proceeding undertaken in connection with the formation of the Community Facilities District and issuance of the Bonds, (iv) reasonable charges for City staff time incurred in connection with the formation of the Community Facilities District and the issuance of the Bonds by the Community Facilities District, including a reasonable allocation of City overhead expense related thereto, and (v) any and all other actual costs and expenses incurred by the City in connection with the formation of the Community Facilities District and the issuance of the Bonds (collectively, the “**Initial Costs**”). The City may draw upon the Deposits from time to time to pay the Initial Costs.

(c) At such time the Owner requests the City to initiate proceedings to issue Bonds, the Owner shall make an additional deposit in the amount determined by the City. If, at any time, the unexpended and unencumbered balance of the Deposits is less than Five Thousand Dollars (\$5,000), the City may request, in writing, that the Owner make an additional deposit in an amount estimated to be sufficient, together with any such unexpended and unencumbered balance, to pay for all Initial Costs (an “**Additional Deposit**”). The Owner shall make the Additional Deposit with the City within two weeks of the receipt by the Owner of the City’s written request therefor. If the Owner fails to make any such Additional Deposit within such two week period, the City may cease all work related to the formation of the Community Facilities District and/or the issuance of the Bonds. Upon receipt of the Additional Deposit, all work will resume.

(d) The Deposits shall be kept separately at the City and the City shall at all times maintain records as to the expenditure of the Deposits.

(e) The City shall draw upon the Deposits and pay the Initial Costs after executing a certificate request (the “**Certificate**”) in the form attached hereto as Exhibit B and by this reference incorporated herein.

(f) The City shall provide the Owner with a written monthly summary of expenditures made from the Deposits, and the unexpended balance thereof, within 15 business days of receipt of the City of a written request therefor submitted by the Owner. The cost of providing any such summary shall be charged to the Deposits.

Section 2. Return of Deposits; Reimbursement.

(a) As provided in Section 53314.9 of the Act, the approval by the qualified electors of the Community Facilities District of the proposed special tax to be levied therein is a condition to the repayment to the Owner of the funds advanced by the Owner pursuant hereto. Therefore, if the qualified electors of the Community Facilities District do not approve the proposed special tax to be levied thereon, the City shall have no obligation to repay the Owner any portion of the Deposits expended or encumbered to pay Initial Costs. In accordance with Section 53314.9 of the Act, if the qualified electors of the Community Facilities District do not approve the proposed special tax to be levied therein, the City shall return to the Owner any portion of the Deposits and interest, if any, which have not been expended or encumbered to pay Initial Costs by the time of the election on said proposed special tax.

(b) If proceedings for the issuance of the Bonds are terminated, the City shall, within 15 business days after official action by the City or the Community Facilities District to terminate said proceedings, return the then unexpended and unencumbered portion of the Deposits to the Owner.

(c) If the Bonds are issued by the Community Facilities District, the City shall reimburse the Owner, without interest, for the portion of the Deposits that has been expended or encumbered, said reimbursement to be made within 15 business days after the issuance of such Bonds, solely from the proceeds of such Bonds and only to the extent otherwise permitted under the Act. The City shall, within 15 business days after the issuance of such Bonds, return the then unexpended and unencumbered portion of the Deposits and interest, if any, to the Owner.

Section 3. Abandonment of Proceedings. The Owner acknowledges and agrees that the issuance of the Bonds shall be in the sole discretion of the City. No provision of this Deposit Agreement shall be construed as an agreement, promise or warranty of the City to issue the Bonds.

Section 4. Deposit Agreement Not Debt or Liability of City. To the extent provided in Section 53314.9(b) of the Act, this Deposit Agreement does not constitute a debt or liability of the City, but shall constitute a debt and liability of the Community Facilities District upon its formation. The City shall not be obligated to advance any of its own funds to pay Initial Costs or any other costs incurred in connection with the formation of the CFD and issuance of the Bonds. No member of the City Council of the City and no officer, employee or agent of the City shall to any extent be personally liable hereunder.

Section 5. Notices. Any notices, requests, demands, documents, approvals or disapprovals given or sent under this Deposit Agreement from one Party to another (collectively, "Notices") may be personally delivered, transmitted by facsimile (FAX) transmission, electronic mail or deposit with the United States Postal Service for mailing, postage prepaid, to the address of the other Party as stated in this Section, and shall be deemed to have been given or sent at the

time of personal delivery, electronic mail or FAX transmission or, if mailed, seventy-two hours following the date of deposit in the course of transmission with the United States Postal Service. Notices shall be sent as follows:

If to City:

City of Oxnard
Attn: Chief Financial Officer
300 West Third Street, 3rd Floor
Oxnard, California 93030
email: _____

If to Owner:

MPL Property Holdings, LLC
Attn: Nicholas Pappas
2392 Morse Avenue
Irvine, CA 92614-6234
email: npappas@suncal.com

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if personally served or delivered, upon delivery, (b) if given by electronic communication, whether by telex, telegram or telecopier upon the sender's receipt of an appropriate answerback or other written acknowledgement, (c) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail, (d) if given by overnight courier, with courier charges prepaid, 24 hours after delivery to said overnight courier, or (e) if given by any other means, upon delivery at the address specified in this Section.

Section 6. Indemnification. The Owner hereby agrees to indemnify, defend (with counsel acceptable to the City), protect and hold harmless the City and its elective or appointive boards, council members, officers, and employees from any and all claims, rights, grievances, demands, damages, debts, liabilities, obligations, costs, expenses, causes of action, or damages of any kind or nature, including attorneys' fees, whether known or unknown, existing or potential, anticipated or unanticipated, or which may hereafter be sustained, arising out of or related to any acts or omissions taken by the Owner's officers, employees, contractors and agents with respect to this Deposit Agreement, the formation of the Community Facilities District, or the issuance of the Bonds, unless the same are caused by the negligence or willful misconduct of the City or its elective or appointive boards, council members, officers, and employees. This hold harmless agreement shall apply to all liability regardless of whether any insurance policies are applicable or insurance proceeds are available to the Owner. Any such policy limits do not act as a limitation upon the amount of indemnification to be provided by the Owner.

Section 7. Release. Except in the event of the City's, or its elective or appointive boards, council members, officers, and employees, negligence or willful misconduct, and except

as to the terms and conditions of this Deposit Agreement, the Owner hereby fully and irrevocably releases, waives, acquits and discharges the City and its electives or appointive boards, council members, officers, and employees of and from any and all claims, rights, grievances, demands, debts, liabilities, obligations, costs, expenses, causes of action, or damages of any nature, including attorney's fees, whether known or unknown, existing or potential, anticipated or unanticipated, or which may hereafter be sustained, arising out of, related to, or having any connection with this Deposit Agreement, the formation of the Community Facilities District, or the issuance of the Bonds.

To this end, except as to the terms and conditions of this Deposit Agreement, the Owner expressly waives and relinquishes all rights and benefits under California Civil Code Section 1542, which states as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

Section 8. California Law. This Deposit Agreement shall be governed and construed in accordance with the laws of the State of California. The Parties shall be entitled to seek any remedy available at law and in equity. All legal actions must be instituted in the Superior Court of the County of Ventura, State of California, in an appropriate municipal court in Ventura County, or in the United States District Court for the District of California in which Ventura County is located.

Section 9. Successors and Assigns. This Deposit Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

Section 10. Counterparts. This Deposit Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.

Section 11. Other Agreements. The obligations of the Owner hereunder shall be that of a party hereto. Nothing herein shall be construed as affecting the City's or Owner's rights, or duties to perform their respective obligations, under applicable law, other agreements, use regulations or subdivision requirements relating to the development. This Deposit Agreement shall not confer any additional rights, or waive any rights given, by either party hereto under any development or other agreement to which they are a party.

Section 12. Titles and Captions. Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of this Deposit Agreement or of any of its terms. Reference to section numbers are to sections in this Deposit Agreement, unless expressly stated otherwise.

Section 13. Interpretation. As used in this Deposit Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others where and when the context so dictates. The word "including" shall be construed as if followed by the words "without limitation." This Deposit Agreement shall be interpreted as though prepared jointly by both Parties.

Section 14. No Waiver. A waiver by either Party of a breach of any of the covenants, conditions or agreements under this Deposit Agreement to be performed by the other Party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions of this Deposit Agreement.

Section 15. Modifications. Any alteration, change or modification of or to this Deposit Agreement, in order to become effective, shall be made in writing and in each instance signed on behalf of each Party.

Section 16. Severability. If any term, provision, condition or covenant of this Deposit Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Deposit Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

Section 17. Legal Advice. Each Party represents and warrants to the other the following: they have carefully read this Deposit Agreement, and in signing this Deposit Agreement, they do so with full knowledge of any right which they may have; they have received independent legal advice from their respective legal counsel as to the matters set forth in this Deposit Agreement, or have knowingly chosen not to consult legal counsel as to the matters set forth in this Deposit Agreement; and, they have freely signed this Deposit Agreement without any reliance upon any agreement, promise, statement or representation by or on behalf of the other Party, or their respective agents, employees, or attorneys, except as specifically set forth in this Deposit Agreement, and without duress or coercion, whether economic or otherwise.

Section 18. Cooperation. Each Party agrees to cooperate with the other in this transaction and, in that regard, to sign any and all documents which may be reasonably necessary, helpful, or appropriate to carry out the purposes and intent of this Deposit Agreement including, but not limited to, releases or additional agreements.

Section 19. Conflicts of Interest. No member, official or employee of City shall have any personal interest, direct or indirect, in this Deposit Agreement, nor shall any such member, official or employee participate in any decision relating to the Deposit Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is directly or indirectly interested.

IN WITNESS WHEREOF, the Parties have executed this Deposit Agreement as of the date set forth on the first page hereof.

“CITY”

CITY OF OXNARD, a municipal corporation

By: _____
Title: _____

“OWNER”

MPL PROPERTY HOLDINGS, LLC,
a Delaware limited liability company

By: _____
Title: _____

EXHIBIT A

PROPERTY DESCRIPTION

EXHIBIT B

**City of Oxnard
Community Facilities District No. 9
(Northshore at Mandalay Bay)**

**CERTIFICATE REGARDING
DISBURSEMENTS PURSUANT TO THE
DEPOSIT AND REIMBURSEMENT AGREEMENT**

The undersigned hereby states and certifies:

(1) that he/she, as the duly qualified Finance Director of the City of Oxnard, a municipal corporation duly organized and existing under the laws of the State of California (the “City”), is authorized pursuant to the Deposit and Reimbursement Agreement, dated as of June 1, 2021 (the “Agreement”), by and between the City and MPL Property Holdings, LLC, relating to the formation of City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay) (the “CFD”), to execute and deliver this certificate;

(2) that pursuant to the Agreement, each obligation shown on Exhibit 1 has been properly incurred as an Initial Cost;

(3) that no item to be paid pursuant to this Certificate has been previously paid or reimbursed from the Deposits; and

(4) that capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Agreement.

Dated: _____

CITY OF OXNARD, a municipal
corporation

By: _____
Title: Finance Director

CITY OF OXNARD
PROPOSED COMMUNITY FACILITIES DISTRICT NO. 9
(NORTHSHORE AT MANDALAY BAY)

Land Use Assumptions ⁽¹⁾

Development Plans

	<u>Units</u>	<u>Estimated Lowest Base Sales Price</u>
Less than 2,100 SF	0	\$0
2,100 - 2,249 SF	28	860,000
2,250 - 2,399 SF	27	885,000
2,400 - 2,549 SF	27	895,000
2,550 - 2,699 SF	30	950,000
2,700 - 2,849 SF	56	940,000
2,850 - 2,999 SF	0	0
3,000 - 3,149 SF	0	0
3,150 - 3,299 SF	29	1,030,000
3,300 - 3,449 SF	0	0
3,450 - 3,549 SF	24	1,080,000
3,550 - 3,649 SF	24	1,090,000
3,650 - 3,799 SF	0	0
3,800 - 3,949 SF	0	0
3,950 - 4,099 SF	0	0
4,100 - 4,250 SF	24	1,150,000
Greater than 4,250 SF	<u>23</u>	1,170,000
Total	292	
Weighted Average		992,260

Acreage Summary

	<u>Zone A Acreage</u>	<u>Zone B Acreage</u>
Gross Acreage	75.83	14.43
Exempt Acreage	<u>(50.46)</u>	<u>(6.97)</u>
Net Taxable Acreage	25.37	7.46
<i>less: Contingency Factor (5%)</i>	<u>N/A</u>	<u>(0.37)</u>
Net Taxable Acres (Adjusted)	25.37	7.09

Undeveloped/Backup Special Tax Rates - Facilities

	<u>Zone A</u>	<u>Zone B</u>
Total Developed Property Revenue	\$686,639	\$301,959
Net Taxable Acres (Adjusted)	25.37	7.09
Rate per Acre	\$27,065	\$42,607

Undeveloped Special Tax Rates - Services

	<u>Zone A</u>	<u>Zone B</u>
Total Developed Property Revenue	\$253,821	\$151,183
Net Taxable Acres (Adjusted)	25.37	7.09
Rate per Acre	\$10,005	\$21,332

Undeveloped/Backup Special Tax Rates - Enviro.

	<u>Zone A</u>	<u>Zone B</u>
Total Developed Property Revenue	\$296,755	\$176,756
Net Taxable Acres (Adjusted)	25.37	7.09
Rate per Acre	\$11,697	\$24,941

Value to Lien

Assessed Value	\$36,148,895
Lien Amount	\$17,620,000
Value to Lien	2.05

(1) Land Use assumptions per Draft Bond Analysis 5/27/2021 provided by DPFG.

(2) Bond Assumptions per Draft Bond Analysis 5/27/2021 provided by DPFG.

(3) Services & Environmental Budget per Draft Bond Analysis 5/27/2021 provided by DPFG.

Bond Assumptions ⁽²⁾

<u>Bond Year</u>	2021
Par Amount of Bonds	\$17,620,000
Average Coupon	4.500%
Bond Term (30 Years) Amortization (29 Years)	30 years
Costs of Issuance/Incidental Costs (Estimate)	253,343
Reserve Fund (125% of Avg. Annual Debt Service)	1,426,737
Capitalized Interest (12 Month's Worth)	792,900
Underwriter Discount (Minimum of \$50,000 or 2%)	<u>352,400</u>
Net Construction Proceeds	\$14,794,620

Initial Annual Budget - Facilities

Initial Annual Debt Service	\$853,271
Initial Administration Costs	<u>50,000</u>
Subtotal Annual Costs	\$903,271
10% Coverage on Debt Service	<u>85,327</u>
Total Initial Annual Budget	\$988,598

Initial Annual Budget - Services ⁽³⁾

<u>CFD Eligible Services</u>	<u>Total Costs</u>
Landscape & Street Lights (Harbor & 5th)	\$93,926
Sewer Lift Station	42,000
Public Storm Drain Maintenance (Harbor & 5th)	16,890
City Administration & Overhead	25,510
Mandalay State Beach Maintenance/Patrol Funding	86,000
RPA Maintenance (24 Acres)	15,714
Milk Vetch Maintenance	<u>88,180</u>
Total Estimated Annual Costs	\$368,220
<i>Contingency (10%)</i>	<i>36,822</i>
Total	\$405,042

Initial Annual Budget - Environmental ⁽³⁾

Environmental Operations, Maintenance and Monitoring	\$473,511
Total	\$473,511

Other Assumptions

Existing Property Tax Rate	1.24407%
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CITY OF OXNARD
PROPOSED COMMUNITY FACILITIES DISTRICT NO. 9
(NORTHSHORE AT MANDALAY BAY)

Tax Burden and Sample Tax Rates		<i>Base Property</i>		<i>Proposed Fac.</i>	<i>Proposed Services</i>	<i>Proposed Env.</i>	<i>Total Property</i>	
<i>Category</i>	<i>Price Point</i>	<i>Tax Rate</i>	<i>Fixed Charges</i>	<i>Max Tax</i>	<i>Max Tax</i>	<i>Max Tax</i>	<i>Total Tax Burden</i>	<i>Tax Rate</i>
Less than 2,100 SF	\$0	\$0	\$63.00	\$2,418.84	\$1,387.00	\$1,622.00	\$5,490.84	N/A
2,100 - 2,249 SF	860,000	10,699	63.00	2,543.84	1,387.00	1,622.00	16,314.84	1.90%
2,250 - 2,399 SF	885,000	11,010	63.00	2,707.07	1,387.00	1,622.00	16,789.09	1.90%
2,400 - 2,549 SF	895,000	11,134	63.00	2,772.37	1,387.00	1,622.00	16,978.80	1.90%
2,550 - 2,699 SF	950,000	11,819	63.00	2,919.28	1,387.00	1,622.00	17,809.95	1.87%
2,700 - 2,849 SF	940,000	11,694	63.00	3,066.19	1,387.00	1,622.00	17,832.45	1.90%
2,850 - 2,999 SF	0	0	63.00	3,266.19	1,387.00	1,622.00	6,338.19	N/A
3,000 - 3,149 SF	0	0	63.00	3,466.19	1,387.00	1,622.00	6,538.19	N/A
3,150 - 3,299 SF	1,030,000	12,814	63.00	3,653.83	1,387.00	1,622.00	19,539.75	1.90%
3,300 - 3,449 SF	0	0	63.00	3,817.06	1,387.00	1,622.00	6,889.06	N/A
3,450 - 3,549 SF	1,080,000	13,436	63.00	3,980.29	1,387.00	1,622.00	20,488.25	1.90%
3,550 - 3,649 SF	1,090,000	13,560	63.00	4,045.59	1,387.00	1,622.00	20,677.95	1.90%
3,650 - 3,799 SF	0	0	63.00	4,135.59	1,387.00	1,622.00	7,207.59	N/A
3,800 - 3,949 SF	0	0	63.00	4,225.59	1,387.00	1,622.00	7,297.59	N/A
3,950 - 4,099 SF	0	0	63.00	4,315.59	1,387.00	1,622.00	7,387.59	N/A
4,100 - 4,250 SF	1,150,000	14,307	63.00	4,437.35	1,387.00	1,622.00	21,816.16	1.90%
Greater than 4,250 SF	1,170,000	14,556	63.00	4,567.93	1,387.00	1,622.00	22,195.55	1.90%

Total

Expected Revenue	<i>Estimated</i>	<i>Property Tax</i>	<i>Fixed Charge</i>	<i>Facilities Special</i>	<i>Services Special</i>	<i>Env. Special</i>		
<i>Category</i>	<i>Units</i>	<i>Revenue</i>	<i>Revenue</i>	<i>Tax Revenue</i>	<i>Tax Revenue</i>	<i>Tax Revenue</i>	<i>Total Tax Revenue</i>	
Less than 2,100 SF	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
2,100 - 2,249 SF	28	299,572.06	1,764.00	71,227.52	38,836.00	45,416.00	456,815.58	
2,250 - 2,399 SF	27	297,270.53	1,701.00	73,090.89	37,449.00	43,794.00	453,305.42	
2,400 - 2,549 SF	27	300,629.52	1,701.00	74,853.99	37,449.00	43,794.00	458,427.51	
2,550 - 2,699 SF	30	354,559.95	1,890.00	87,578.40	41,610.00	48,660.00	534,298.35	
2,700 - 2,849 SF	56	654,878.45	3,528.00	171,706.64	77,672.00	90,832.00	998,617.09	
2,850 - 2,999 SF	0	0.00	0.00	0.00	0.00	0.00	0.00	
3,000 - 3,149 SF	0	0.00	0.00	0.00	0.00	0.00	0.00	
3,150 - 3,299 SF	29	371,603.71	1,827.00	105,961.07	40,223.00	47,038.00	566,652.78	
3,300 - 3,449 SF	0	0.00	0.00	0.00	0.00	0.00	0.00	
3,450 - 3,549 SF	24	322,462.94	1,512.00	95,526.96	33,288.00	38,928.00	491,717.90	
3,550 - 3,649 SF	24	325,448.71	1,512.00	97,094.16	33,288.00	38,928.00	496,270.87	
3,650 - 3,799 SF	0	0.00	0.00	0.00	0.00	0.00	0.00	
3,800 - 3,949 SF	0	0.00	0.00	0.00	0.00	0.00	0.00	
3,950 - 4,099 SF	0	0.00	0.00	0.00	0.00	0.00	0.00	
4,100 - 4,250 SF	24	343,363.32	1,512.00	106,496.40	33,288.00	38,928.00	523,587.72	
Greater than 4,250 SF	23	334,779.24	1,449.00	105,062.39	31,901.00	37,306.00	510,497.63	
<i>Total</i>	292	\$3,604,568.42	\$18,396.00	\$988,598.42	\$405,004.00	\$473,624.00	\$5,490,190.84	

Maintenance Assessment Districts

& Waterway Assessment Districts

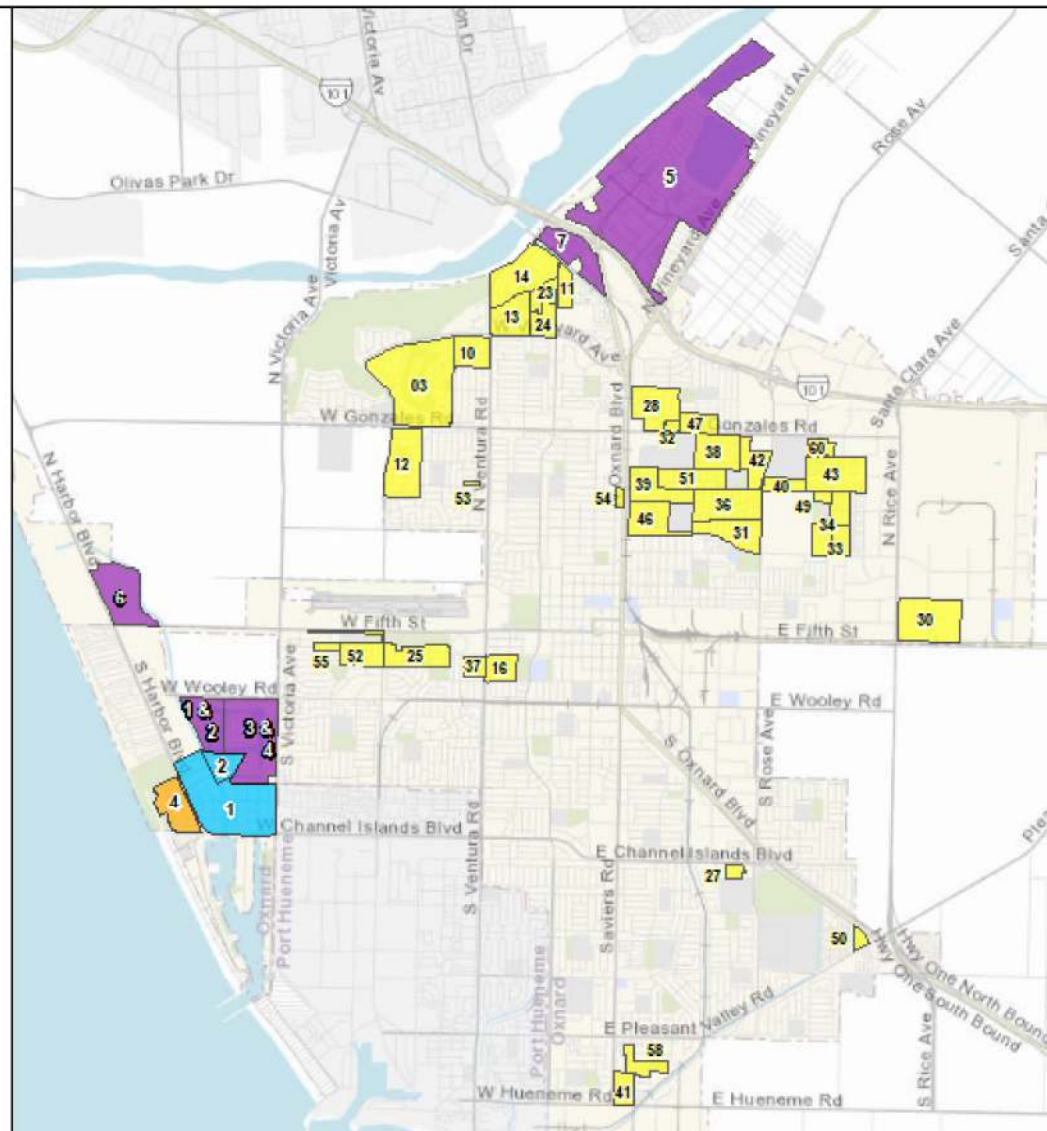
- MAD No. 4 (Mandalay Beach/Colony/Hotel)
- WAD No. 1 (Mandalay Bay)
- WAD No. 2 (Mandalay Bay)

Community Facilities Districts

- CFD No. 1 & 2 (WESTPORT AT MANDALAY BAY)
- CFD No. 3 & 4 (SEABRIDGE AT MANDALAY BAY)
- CFD No. 5 (RIVERPARK)
- CFD No. 6 (NORTH SHORE AT MANDALAY BAY)
- CFD No. 7 (WAGON WHEEL)

Landscape Maintenance Districts

- LMD No. 10 (Country Club Estates)
- LMD No. 11 (St. Tropez)
- LMD No. 12 (Standard Pacific)
- LMD No. 13 (Le Village)
- LMD No. 14 (California Cove)
- LMD No. 16 (California Lighthouse)
- LMD No. 23 (Greystone)
- LMD No. 24 (Vineyards)
- LMD No. 25 (Pointe)
- LMD No. 27 (Rose Island)
- LMD No. 28 (Harborside)
- LMD No. 3 (River Ridge)
- LMD No. 30 (Haas Automation)
- LMD No. 31 (Rancho De La Rosa)
- LMD No. 32 (Oak Park)
- LMD No. 33 (El Paseo)
- LMD No. 34 (Sunrise Pointe & Sunset Cove)
- LMD No. 36 (Villa Santa Cruz & Villa Carmel)
- LMD No. 37 (Pacific Breeze)
- LMD No. 38 (Aldea Del Mar)
- LMD No. 39 (Promesa & Sueno)
- LMD No. 40 (Cantada)
- LMD No. 41 (Pacific Cove)
- LMD No. 42 (Cantabria & Coronado)
- LMD No. 43 (Greenbelt)
- LMD No. 46 (Daily Ranch)
- LMD No. 47 (Sycamore Place)
- LMD No. 49 (Cameron Ranch)
- LMD No. 50 (Pleasant Valley Senior Housing)
- LMD No. 51 (Pfeiler)
- LMD No. 52 (Wingfield)
- LMD No. 53 (Huff Court)
- LMD No. 54 (Meadow Crest Villas)
- LMD No. 55 (Wingfield West)
- LMD No. 58 (Westwind)
- LMD No. 60 (Artisan)



Proposed Formation of the City of Oxnard Community Facilities District No. 9 and Approval of Deposit and Reimbursement Agreement and Special Tax Disbursement Agreement

Finance & Governance Committee
July 27, 2021

City Council
September 7, 2021

Steve Howlett
Assistant Public Works Director

RECOMMENDATION

That the Finance & Governance Committee recommend the City Council adopt the following resolutions:

1. A Resolution approving a Deposit and Reimbursement Agreement and Special Tax Distribution Agreement relating to the proposed City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay); and
2. A Resolution of Intent to establish the City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay); and
3. A Resolution of Intent to incur bonded indebtedness in the amount not to exceed \$22,000,000 within the proposed City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay).

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That the City Council adopt the following resolutions:

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2. A Resolution of Intent to establish the City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay); and
3. A Resolution of Intent to incur bonded indebtedness in the amount not to exceed \$22,000,000 within the proposed City of Oxnard Community Facilities District No. 9 (Northshore at Mandalay Bay).

BACKGROUND

Community Facilities Districts (CFDs)

- Are established pursuant to the provisions of the California Government Code Section 53311 *et seq.* (commonly known as the “Mello-Roos”).
- Raise money through special taxes that must be approved by 2/3 of the voters within a CFD. The City Council is the legislative body of the any CFD the City forms. Most often, CFDs are formed by the landowner prior to subdivision.
- Can be formed to finance a wide list of improvements, which include roads, water facilities, sewers, and schools. They are also used to finance ongoing maintenance services of the facilities or for services such as landscaping, streets, lighting, and drainage facilities. The taxes are secured by a continuing lien and are levied against property within the CFD on an annual basis.

Northshore CFD

- The City established 2006 CFD (Northshore at Mandalay Bay) in 2006 for an earlier proposed development located at the northeastern corner of Fifth Street and Harbor Boulevard.
- There were two special tax components (A and B) to 2006 CFD
 - Special Tax A (currently at \$5,581,558.89) is the special tax which could be levied each year to fund the annual facilities special tax component. It can be levied until Fiscal Year 2045/46
 - Special Tax B (currently at \$1,897,411.41) can be levied in perpetuity in order to satisfy the services special tax requirement. The City has not yet issued bonds for 2006 CFD, but the City is authorized to incur bonded indebtedness in a maximum aggregate principal amount not to exceed \$30,000,000.

Northshore CFD

- The City has never levied Special Tax A as no bonds were sold and has not levied Special Tax B on parcels in 2006 CFD since Fiscal Year 2014/15. Currently, no services are being performed in 2006 CFD, but it has a balance of a little over \$500,000 of collected special taxes.
- The owner and developer, MPL Property Holdings LLC, has a current development plan for 292 single family residences within the 90 acre development and is requesting either a replacement or modification of 2006 CFD to include: (a) a facilities special tax for the life of any bond issues; (b) a services special tax in perpetuity; and, (c) an environmental special tax for remediation, operation and maintenance activities as required by the Department of Toxic Substances Control (“DTSC”).

Northshore CFD

- Staff recommends a new CFD (CFD #9) rather than trying to amend 2006 CFD
 - Allows the City to prioritize facilities and fees to be financed, while also making sure the effective tax rate for residences is under 2%
 - New CFD will have a not to exceed bond authorization of \$22,000,000
 - Once the new CFD #9 is formed, 2006 CFD will be dissolved.

DISCUSSION

CFD #9 is proposed to be established for the purpose of funding the following:

(a) Public infrastructure facilities and other governmental facilities, including fees related thereto, with an estimated useful life of five years or longer, including but not limited to all or a portion of sanitary sewer, water, street, storm drain and park facilities, public art or other real or tangible property, and related costs including design, inspection, professional fees, and acquisition costs through the levy of a Special Tax; and

(b) Services including, but not limited to, landscaping, street lighting, maintenance of sewer, storm drain, irrigation systems, beaches and parks, beach patrol, and weed abatement (the “General Services”) through the annual levy of a Special Tax in perpetuity; and

DISCUSSION

- (c) Remediation of any hazardous substance released or threatened to be released into the environment on the Property as more particularly described in the Response Plan approved by DTSC on December 17, 2018, the Operation and Maintenance Plan approved by DTSC on March 7, 2019, and any additional remedial activities or protective measures through the levy of a Special Tax on an annual basis as long as determined by DTSC.
- All parties have reviewed the parameters of the special tax formula or the Rate and Method of Apportionment (RMA). The Special Taxes will be levied each year according to the RMA and placed on the County property tax rolls.
 - The first Resolution approves the form of a deposit and reimbursement agreement with the Landowner. The Landowner has made a deposit of \$60,000 to the City toward the costs of forming the CFD.

DISCUSSION

Special Tax – Facilities

- This tax is used to pay debt service on bonds or for facilities on a pay-as-you-go basis, or a combination thereof. The City anticipates that the CFD will issue one or more series of Special Tax Bonds with a 30-year maturity and escalating debt service of 2% per year to acquire the Facilities built by the Landowner and to pay or reimburse the Landowner for the payment of certain impact fees.
- The RMA includes an assigned tax and a back-up tax for developed property, in case the number of residential units built is less than estimated. Once developed property is taxed, undeveloped and contingent property will be taxed if needed.

DISCUSSION

Special Tax – Services

- This will be levied annually in perpetuity to finance the General Services. Once developed property is taxed at the maximum rate, any undeveloped and contingent property will be taxed if needed. This tax escalates at the greater of 2% or a CPI escalation factor not to exceed 5% commencing July 1, 2023.
- The Special Tax for Services takes the place of a traditional maintenance assessment district.

DISCUSSION

Special Tax – Environmental

- Will be collected by the CFD and turned over to the newly formed nonprofit, the Northshore Environmental Conservancy (“NEC”), to pay for the annual Remediation Services approved by DTSC.
- The RMA includes an assigned tax and a back-up tax for developed property in case the number of residential units built is less than estimated. Once developed property is taxed at the maximum rate, undeveloped and contingent property will be taxed if needed. This tax escalates at the greater of 2% or a CPI escalation factor not to exceed 5% commencing July 1, 2023.
- Upon the issuance of a certificate of completion by DTSC, this tax will no longer be levied.

DISCUSSION

Process - Council approval process takes approximately 60 to 75 days.

Step 1: Finance & Governance Committee recommend the City Council's approval of the three Recommendations (July 27, 2021)

Step 2: City Council (September 7, 2021) adopts the Resolution approving the Deposit and Reimbursement Agreement and the Special Tax Disbursement Agreement.

Step 3: City Council adopts the Resolution of Intention to form the CFD and a Resolution of Intention to Incur Debt (September 7, 2021). Once the City declares its' intentions to establish CFD #9 (Northshore at Mandalay Bay), a public hearing will be scheduled for October 5, 2021.

DISCUSSION

Step 4: City Council hold a public hearing on October 5, 2021. Provided there is no majority protest, CFD #9 will be established.

Steps 5 & 6: City Council, acting as the legislative body of the CFD, conducts a special mailed ballot election and adopts an ordinance levying the special tax.

- The Landowner has waived election timelines, so an election may be held on October 5, 2021 to authorize the levy of an annual special tax on such property.
- Should the proposition pass with a two-thirds vote from the qualified voters (the Landowner), the City may hold the first reading of an ordinance on October 5, 2021 and adopts the ordinance on October 19, 2021, along with a resolution transferring assets of the former CFD to CFD #9 and approving the dissolution of the former CFD.

DISCUSSION

Future Consideration

At a later date, the CFD in its sole discretion will determine the final amount of Bonds issued. The proposed maximum bond authorization is \$22,000,000. The “not to exceed” bond amount for the CFD is based on Facilities costs and available Special Tax - Facilities.

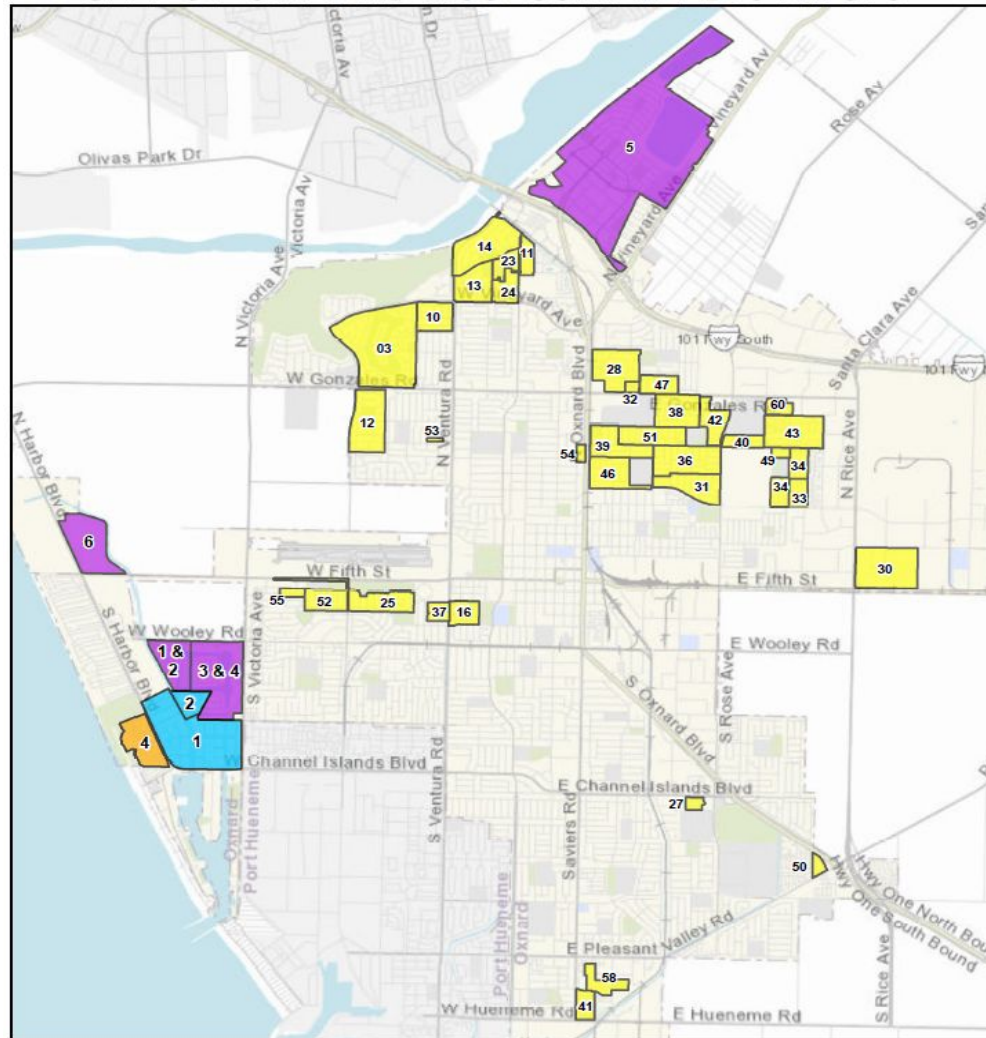
If the action is approved, the formation of the replacement CFD, special election and approval of other related documents will occur on October 5, 2021. Currently, it is not expected that Bonds will be authorized for issuance or sale until the development is well underway and the Facilities are at or near completion, at which time documents relating to the issuance and sale of the bonds will be brought to the Council for its approval.

FINANCIAL IMPACT

There is no direct impact in approving these resolutions and there is no financial impact to the General Fund.

MAP OF ASSESSMENT DISTRICTS IN CITY

CITY OF OXNARD ASSESSMENT DISTRICTS



- Maintenance Assessment District (District No.)
- Waterway Assessment District (Zone No.)
- Community Facilities District (District No.)
- Landscape Maintenance District (District No.)

QUESTIONS

ANSWERS

EXHIBIT A

ESTIMATED DESCRIPTION AND BUDGET OF FACILITIES

Preliminary List of Authorized Facilities 5/27/2021

City of Oxnard Impact Fees		Rate	Per	Units	Total
Sewer Connection Fee	[1]	\$ 5,256	DU	292	\$ 1,534,752
Water System Connection Fee (3/4" Meter)	[1]	3,133	DU	292	914,836
Storm Drain Fee	[1]	10,645	ACRE	52.76	561,630
Traffic Circulation Fee	[1]	8,030	DU	292	2,344,760
Quimby Fees	[1]	6,037	DU	292	1,762,862
Growth Requirement Capital Fee	[1]	1.16	SF	1,033,592	1,198,967
Parks and Recreation Fee	[1]	250	DU	292	73,000
Public Art Program	[1]	0.20	SF	1,033,592	206,718
Total City Impact Fees					\$ 8,597,526
City of Oxnard Improvements		Rate	Per	Units	Total
Sewer Lift Station	[2]	1,250,000	Total	1	1,250,000
On-Site Water Improvements	[2]	1,151,086	Total	1	1,151,086
Harbor Blvd and 5th Street (Streets/SD)	[2]	3,763,339	Total	1	3,763,339
Prevailing Wage	[2]	15%	of Costs	6,164,425	924,664
Construction Management/Engineering	[2]	5%	of Costs	6,164,425	308,221
Total City Improvements					\$ 7,397,310
Total Eligible City Impact Fees and Improvements					\$ 15,994,836

[1] Reflects the City of Oxnard Development Impact Fees in effect for entitled property through July 19, 2021 proposed to be financed by the proposed City of Oxnard CFD. City to verify eligibility.

[2] Reflects the ESTIMATED City of Oxnard improvement costs provided by client.

EXHIBIT B

ESTIMATED DESCRIPTION AND BUDGET OF GENERAL SERVICES

Estimated Services CFD Special Tax

Services Special Tax B		
Description		Estimated Costs
Harbor and Fifth Street ROW Landscape and Street Lights	[1]	\$ 93,926
Sewer Lift Station	[1]	42,000
Public Storm Drain Maintenance (Harbor and Fifth)	[1]	16,890
City Admin and Overhead	[1]	25,510
Mandalay State Beach Maintenance/Patrol Funding	[1]	86,000
RPA Maintenance (24 Acres)	[1]	15,714
Milk Vetch Maintenance	[1]	88,180
Total Estimated Annual Costs		\$ 368,220
Contingency (10%)		36,822
Total Annual Special Tax B Requirement		\$ 405,042
Special Tax B per Home		\$ 1,387

Environmental CFD Special Tax		
Description		Estimated Costs
Environmental Operations, Maintenance and Monitoring	[2]	473,511
		\$ 1,622

[1] Estimate per client.

[2] Reflects the estimated costs associated with the long-term remedial and administrative obligations for the North Shore at Mandalay Bay development based on Terraphase Engineering letter dated 10/12/2020.