

**Response to Written Objections
at the Joint Public Hearing for the Historic
Enhancement and Revitalization of Oxnard
(Comprehensive) Redevelopment Plan
March 3, 1998**

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I. LETTER FROM MCDONOUGH, HOLLAND AND ALLEN DATED MARCH 3, 1998

McDonough, Holland and Allen (MDH), representing the City of Ventura, indicated a belief "that there is insufficient evidence to support a finding to justify the inclusion of the Oxnard Town Center Area within the proposed Redevelopment Plan Project Area" and objected to its inclusion on, among others, the following grounds (each issue is summarized and responded to in order below, but some of the issues are broader in nature, and so all of the responses in total should be considered as a comprehensive response to the objections):

Issue 1. The blighted area (Oxnard Town Center or OTC) does not contain both physical and economic blighting conditions and the inclusion of the OTC is based upon a lack of public improvement or infrastructure.

Response 1:

Non Response

The requirement to demonstrate that an area is blighted and constitutes a serious physical and economic burden on the community applies to the project area as a whole, not to each specific property or portion of a project area. As discussed in item 2 below, the inclusion of the OTC is based upon economic blight, not a lack of infrastructure.

*what we all
objected to.*

Issue 2. The assertion that the fair market value of the properties in the CFD is exceeded by the encumbrances is not supported.

Response 2:

Inclusion of OTC is not dependent upon a lack of public improvements or infrastructure. As discussed in Section IV of the Report to Council, the Oxnard Town Center properties suffer from serious economic blighting conditions, including depreciated values and impaired investments.

Further documentation of these conditions is provided as follows:

*— Information was provided
allowed without investment
in infrastructure*

- a. Change in fair market value: In 1988, the appraised fair market value of the properties in the Community Facilities District was \$36,220,000¹ or approximately \$3.93 per square foot of land. Available data for sales of commercial land in excess of 10 acres

*1 would have been
based on cost*

before bankruptcy

¹ Per the memorandum from the real estate appraisal firm of MT Associates dated August 2, 1988.

was reviewed for a period from 1990 through February 1998, to determine the market sales price for land similar to the OTC. Sales prices ranged from a high of \$3.26 to a low of \$1.57 per square foot. The largest and most comparable site sold for \$1.57 per square foot. These sales comparables indicate that the land in the OTC is worth less than \$3.93 per square foot in the current real estate market, even if it did not have the CFD special tax burden. (Please refer to Table 1 Commercial Land Sales Comparables)

- b. Declining or stagnant property values: The change in secured assessed value for the properties in the CFD was determined by a review of data available from the Ventura County Assessor's Office over a three-year period from fiscal year 1994-95 to fiscal year 1996-97. This change was compared to the total change in assessed value for the entire City of Oxnard over the same period. As can be seen from the attached Table 2, titled Oxnard Town Center Change in Secured Assessed Valuation FY 94-95 to 96-97, the assessed value of properties in the CFD declined by 41.3% while property values increased by 0.5% for the City of Oxnard. In fiscal year 1994-95, the assessed value of the parcels in the CFD was \$48,552,689 or \$5.27 per square foot. In fiscal year 1997-98, the total assessed value of the properties in the CFD had declined to \$28,494,735 or approximately \$3.09 per square foot.

probably based on cost when new build built.

The OTC property currently has the limitations imposed on it by the settlement agreement and stipulated judgment entered into by the former property owner, the City of Oxnard and the City of Ventura in approximately 1986/87. The limitations affect the amount of development that can occur before certain improvements are made to the Santa Clara River Bridge and the 101 Freeway. When the settlement agreement and stipulated judgment were entered into, it was anticipated that Caltrans would improve the Bridge and Freeway within three years. Caltrans, Oxnard and Ventura were all to pay a share of the costs. Unfortunately, these improvement plans have all been delayed and are still not ready to proceed. At the earliest, the Bridge improvements will not go forward before 2001. Until that time, there can be little or no more development in the OTC to pay the existing CFD annual debt. Also, to add to the problems, Ventura has withdrawn its earlier commitment to share in the costs of the Bridge and interchange improvements.

But infrastructure is not the only issue. In fact, the OTC parcels would qualify for inclusion in the redevelopment project area based on impaired investment and depreciated values alone, independent of the need for improvements for the area to be developed consistent with the existing Specific Plan and General Plan.

*Bad Plan
Plan &
Specific Plan*

The CFD bonds went into default in 1993 and there have been no payments since that time. There have also been no property tax payments made to Ventura County since 1992 and the County attempted to sell the property at a tax foreclosure sale in early 1997. The CFD entered into an agreement with the County to try to sell the property to an outside buyer. This agreement was entered into to protect the interests and security of the CFD bond holders. At this time there is approximately \$18 Million owing for past due bond debt, future bond payments of \$14 Million and County property taxes of over \$3 Million, for total public debt of about \$35 Million. There also is

currently a deed of trust securing a promissory note of almost \$15 Million to an outside third party on most of the remainder of the OTC property. The trust deed holder is in appellate court with the CFD attempting to stop any CFD special tax foreclosure sale. Furthermore, one of the trust deed holders has also filed for Chapter 11 bankruptcy protection and all foreclosure sales have been stayed. The statement in the Report to City Council (February 1998), page IV-15 that the City "has successfully eliminated additional private debt on the properties" is not accurate. Neither the City nor the CFD have cleared up the debt issues concerning the OTC property. Neither the City nor the CFD have acquired the remainder or any of the OTC property. As seen from the above, there will not be any change in this situation in the near future.

In summary, there is currently existing public debt on the property that is now as large as the initial appraisal of the property before the CFD was formed and the bonds sold. There is also the private deed of trust. There is not land value capacity to place more debt on the property to build the necessary infrastructure to enable the site to be developed. Between the development limitations on the property because of the Santa Clara Bridge issue, the lack of infrastructure or capacity to fund infrastructure, and the existing legal entanglements, the property is almost without any value or hope of ever being developed.

The County maintenance yard within the OTC has hazardous materials and will need costly cleanup. A comprehensive solution to the OTC area will require relocation of the County facility, and the County and therefore the remediation issue would have to be addressed as part of the relocation. The surrounding blighted neighborhoods were to be cleaned up as part of the OTC development and the surrounding infrastructure deficiencies such as drainage, water, sewer and circulation, were all to be corrected. Irregular parcelization and multiple ownerships are a further barrier to redevelopment of the OTC area -- for example, the "Clark Property" of approximately 30 acres extends like a finger from the easterly boundary of the OTC area across and through the middle of the entire area. Although the irregular parcels are not small and could in other circumstances could be developed individually, the unique problems facing the OTC area require a comprehensive area-wide solution. Without a redevelopment project and the potential land assembly resources available under the Redevelopment Plan, this could be a "holdout" parcel preventing a comprehensive solution for the area.

The McDonough firm letter mentions the existence of two "unblighted" mid-rise office buildings in the OTC area. There are in fact two buildings surrounded by vacant parcels near the southwesterly corner of the OTC area. Even if those parcels were not themselves blighted, their inclusion in the project area is necessary for effective redevelopment of the entire OTC area, because they are surrounded by undeveloped acreage and would have to be part of an overall financing, infrastructure and redevelopment solution for the entire area.

Issue 3: The Exhibits and Photographs in the Report highlight the lack of evidence to support the inclusion of the OTC area.

Response 3:

The exhibits and photos included in Section XV of the Report to Council are used to primarily illustrate physical blighting conditions. Economic blighting conditions at OTC do not lend themselves to photos or drawings thus the blighting conditions are described in the text of the Report on pages IV-15 and IV-16. Several of the parcels in the CFD are in default. A revised Attachment 4 to the Report to City Council is attached to more clearly illustrate the parcels in default.

II. LETTER FROM JANE TOLMACH DATED OCTOBER 24, 1997

In her letter, Ms. Tolmach objects to the Redevelopment Plan on several grounds:

Issue 1. Boundaries should be examined and justified by the Agency.

Response 1:

non answer

As described at the public hearing, the Agency has carefully examined and refined the proposed boundaries of the Project Area over the last four years. The boundaries of the proposed Project Area are based upon the results of the physical and economic blight analyses as summarized in section IV of the Report to the City Council.

Issue 2. The Redevelopment Plan "places a lien on all the developable land in the City" ... and is "a lid on taxes paid to the General Fund"... Tax Increment generated by new development goes to the Agency (in general) and cannot be used to services those new developments. Existing taxes subsidize services to new development, putting a burden on the present taxpayers.

Response 2:

exactly what pass-through

The Redevelopment Plan does not place a lien on properties in the Project Area. The Project Area does not include "all developable land" since there are many undeveloped portions of the City outside the Project Area and outside of any redevelopment project area in the City. The City's General Fund will receive additional taxes above the amount received as of the Base Year through the pass-through amounts paid to the City authorized by AB 1290, and therefore, the General Fund participates in any growth in property taxes. It is projected that over the life of the Redevelopment Plan, the General Fund will be made whole and may not experience a net loss of secured property tax revenue. In addition, the City's General Fund is expected to experience growth in revenues due to growth in other revenues (such as sales tax revenues, business license fees, and transient occupancy tax revenues) that may be triggered by redevelopment of the Project Area. These other revenues are the principal source of the City's budget for services, and will pay for any additional services costs associated with development under the Redevelopment Plan. Due to declines in retail sales and

!!

Just lies —

vague bah that says nothing

property values in the Project Area (as discussed in Section IV of the Report to Council), the Project Area is not contributing to the City's growth and is actually a drain on City revenues. The City's General Fund is experiencing shortfalls (as described in Section III.2 of the Report to Council). Through redevelopment of the Project Area, additional property tax revenues, jobs, and other tax revenues will be generated that contribute to the General Fund.

Most of the Project Area is already developed and is receiving City services. The majority of new development will be infill in nature and will not require extensive expansion of existing City services.

what about millions of \$ for 2 office space & roads & retail

Issue 3. The Oxnard Airport should not be included since its operation is to be contracted out by the County.

Response 3:

Oxnard Airport and its immediate surroundings are included due to blighted conditions in the area. As can be observed from Exhibits 5A and 5B, there are many lots and/or buildings in the Airport area that suffer from obsolescence, faulty building layouts, circulation and loading problems. The County is no longer considering contracting out Airport operations to a private entity and has terminated on-going feasibility studies on the matter.

Issue 4. The use of tax increment relative to the OTC is wrong, and the belief that redevelopment will increase value of the Oxnard Town Center properties is incorrect/speculation. Questions are also raised concerning the potential new 1/101 freeway interchange at the OTC area.

Response 4:

They were losing in 1987 & 88 to push for a private development that could not pay its own way + had to mortgage the new project area to pay for a private proposal

The public debt burden on the OTC property is too high to permit private development. Private development will increase the valuation of the OTC properties, as discussed in Response No. 2 to the McDonough et al letter. Increasing access through a new interchange at the 101 Freeway near the OTC is an important aspect of the solution to the problem as documented in the Report to the City Council. Section 33445 of the CRL will require a detailed analysis before tax increment funding is applied to major infrastructure improvements to this area. Access to the Downtown portions of the proposed Project Area will be a significant part of a successful redevelopment effort. The City and CDC will cooperate with Caltrans in the relocation of the Highway 1 from Oxnard Blvd. to Rice Avenue. *how does this help let Hwy 1 to Rice that will be no more successful than the 1987-88*

Issue 5. The law (CRL?) requires a provision allowing the City Council to allocate tax increment funds to the General Fund if the Agency can first meet its obligation to pay debt created by the Agency be included in the Redevelopment Plan. This provision is not in the Redevelopment Plan.

Response 5:

The City will receive a share of tax increment generated by the Redevelopment Project through the statutory pass-throughs. Per the provisions of the CRL, and section 502 of the Redevelopment Plan, any tax increment not needed to pay indebtedness to the CDC is automatically allocated to taxing entities including the City. *None has & never will happen*

Issue 6. The information regarding the increase in assessed property values in the Project Area is not true "since all of the resources of the City including the Economic Development Corp. have been focused on the Northeast".

Response 6:

The information used to determine the assessed values in the Project Area is based upon the secured assessed values recorded by the Ventura County Assessor's office and is believed to be factually correct. The Economic Development Corporation's (EDC) focus over the last few years have been on industrial attraction city-wide. The EDC has been most successful in attracting new businesses to the Northeast Industrial Area because of the lack of blighting conditions. The EDC and the City have made efforts to utilize governmental resources (including section 8, code compliance, infrastructure and street improvements, and targeted of HOME and CDBG) and yet these limited governmental resources have not been successful in inducing development and reinvestment in the Project Area.

Issue 7. The City Council should not take action on the Plan until a new City Manager and Finance Director are hired and an audit completed.

Response 7:

A new City Manager and Finance Director have been hired. An independent audit has been completed for fiscal year 1996-97. Audits have been conducted each year for the redevelopment project areas as required. Additional financial information has been presented to the City Council together with this report.

Issue 8: The Agency has not paid off and continues to defer its existing long term debt to the General Fund.

Response 8:

The City has elected to invest some of its resources in a cooperative effort with the CDC in redeveloping blighting areas of the City. Some of that assistance is carried as a long term loan so that in later years when the investment has succeeded, surplus funds will be available. The fact that the amount of this debt has increased does not reflect a lack of effective redevelopment or jeopardize the financial soundness of the City.

III. LETTER AND ATTACHMENTS FROM ROY LOCKWOOD DATED MARCH 3, 1998

While most of the concerns Mr. Lockwood raises are general in nature, there are some specific issues relating to the Redevelopment Plan to be addressed.

Issue 1. The financial and feasibility impacts are not analyzed in EIR. The [need for the] issuance of \$440.6 million in bonds is not supported.

Response 1:

Financial feasibility and financial impacts are extensively analyzed in the Report to Council. These issues are generally not a topic for consideration in the EIR, which addresses physical impacts on the environment. Economic considerations were considered in the EIR and related findings in order to determine the feasibility of mitigation measures and alternatives, and to support the statement of overriding considerations.

Issue 2. The cost of the Redevelopment Project is "\$440 million plus added interest payments that could exceed a total of \$1.250 billion" – an amount of debt that "could put the City into economic ruin".

Response 2:

The total project costs are estimated at \$437 million including a total of \$101 million in debt service over the 30-year life of the plan. This is significantly less than \$1.25 billion. The debt, in the form of tax increment bonds, will only be issued if there is sufficient tax increment to support the bond payments. Additionally, the bonds will be a liability of the CDC only, which is a separate legal entity, and not the City of Oxnard. The bonds are backed by a pledge of future tax increment only. In addition to requiring a reserve (an amount set aside by the CDC to ensure their ability to make payments on bonds issued), bond issuers are typically required to have a debt service coverage² of 125% to further reduce any risk of default. The CDC has never defaulted on the tax allocation bonds issued for the Central City Revitalization Project; the only project area of the four which have issued bonds. The City would not have any financial obligations associated with the tax increment bonds.

Issue 3. The annual interest will exceed \$26 million.

Response 3:

The debt service (annual interest payments) is estimated to range from \$142,000 to \$3.4 million per year over the life of the plan. This is significantly less than \$26 million. Debt will only be issued if

² Debt Service Coverage of 125% means that the tax increment available to make payments on the bonds exceeds the bond principal and interest amount by 25%.

there is sufficient tax increment to make the bond payments.

Issue 4. Benefits of plan go to pay salaries and retirement of public administrators.

Response 4:

non answer
The cost of operations for the Redevelopment Plan is estimated at \$4.7 million (less than 1.1%) of the total estimated project cost. The Redevelopment Agency does not have employees. Administration and management are provided by the City and paid for from the redevelopment project areas.

Issue 5: Miscellaneous Issues

Response 5:

Redevelopment activities would not include a gift of public funds. Any assistance would be analyzed and substantiated (see e.g. CRL section 33433), and would be undertaken only for the public purpose of eliminating blight in the Project Area. Redevelopment agencies are exempt from the constitutional annual appropriations limit and Article XVI Section 18 of the State Constitution. The EIR concluded that the implementation of the City's master plan of drainage would adequately reduce flooding impacts associated with the redevelopment project to a level of insignificance. Brown Act policies and regulations requiring opportunities for public participation in the plan adoption process have been followed. The blight and EIR reports have been made publicly available and numerous noticed public hearings have been conducted. Specific findings are included in the Plan adoption ordinance and EIR findings to address the inclusion of agricultural lands in the Project Area. The City Council is authorized to adopt a redevelopment plan without a vote of the people. Numerous opportunities for the public have been provided.

IV LETTER FROM LORRINE METCALF DATED NOVEMBER 10, 1997

Issue 1: Ms. Metcalf indicated that she could not read the map provided to her in the public notice and that she protested the Plan.

Response 1:

Ms. Metcalf was sent a larger map that was easier to read (3 feet by 4 feet) which identified streets and the freeway corridor during the week of November 17, 1997.

V. LETTER FROM JEAN HARRIS DATED MARCH 3, 1998

Ms. Harris objected to the Redevelopment Plan on the following grounds:

Issue 1. In 1983, the Ormond Beach Project was established. Over the last 10 years, \$14 million of revenue was generated. There have been no changes to the wetlands,

which is contrary to the 2020 General Plan section VII-71. VII-71 states that Oxnard must rehabilitate, restore and protect the existing environmental resources. Why have none of these goals been accomplished?

Response 1:

In the 2020 General Plan Open Space/Conservation Element Implementation Measure No. 19 states as follows:

“Rehabilitate, restore and protect existing environmental resources in Ormond Beach area and enhance public access to this resource by 1995 in the event that a major private development for the Ormond Beach Specific Plan Area is not approved within 24 months of the adoption of the 2020 General Plan. Funding sources for such a program may include the Oxnard Redevelopment Agency, the Coastal Conservancy, and offshore oil impact mitigation fees.”

This implementation measure indicates that environmental sources and enhancement of public access is to occur in 1995, unless a specific plan is approve within two years which would be by the end of 1002. The development of the Ormond Beach Specific Plan (SP), and environmental impact report (EIR), began on April 30, 1991. It was anticipated that the EIR and SP would be completed in approximately two years. The boundaries of the wetlands needed to be determined through the EIR process and the developer was required to enhance the subject wetlands as stipulated in the Land Use Element of the 2020 General Plan.

The 2020 General Plan Land Use Element requires the Ormond Beach area be developed as a SP. The SP and land use policies are to achieve a number of objectives as follows:

New development shall minimize adverse impacts on sensitive coastal resources, and protect significant coast resources within the study area by:

- Restoration and enhancement of wetlands and other sensitive habitats
- Mitigating wetland resources and resources impacts, in a manner consistent with Coastal Act policies and U.S. Army Corps of Engineers “404” requirements (e.g. “no net loss”)
- Preparing a long-term habitat management program consistent with CEQA monitoring, Coastal Act and U.S. Army Corps “404” requirements.

The following quotation is also from the 2020 General Plan Land Use Element:

“In order to insure that the rehabilitation and enhancement of the coastal resources within the Ormond Beach area are made concurrent with the development of the upland portion of the area, the specific plan for Ormond Beach area shall specify a resource enhancement schedule which requires that specific coastal resource enhancement activities commence prior to or concurrent with specific phases of upland development.”

The Baldwin Company proposed to develop the Ormond Beach area and was required to pay for the EIR and SP. Due to delays caused by the Baldwin Company, the anticipated completion of the required documents extended to September 1995. In July 1995, the Baldwin Company filed for bankruptcy. Therefore, the EIR and SP were not completed.

Funding sources for Implementation Measure No. 19

- Offshore Oil Impact Mitigation fees:
Pursuant to the adopted Tri-Counties Socio-Economic Monitor Program (SEMP), funds collected from the offshore oil impact mitigation fees are to compensate socio-economic impacts to the general fund. Monies collected go to the general fund to support those identified socio-economic impacts. These funds could not be used for wetlands enhancement.
- Coastal Conservancy:
Funding from the Coastal Conservancy was not pursued since there was a developer willing to fund the EIR and SP. Mitigation in the EIR would have addressed the policies in the Land Use Element of the 2020 General Plan requiring the developer to pay for the enhancement of the wetlands. Capital Improvement Program (CIP) Redevelopment funds could then be spent to enhance public access and maintaining the wetlands.
- Oxnard Community Development Commission (CDC):
Preparing a wetlands determination and implementation measures cost a significant amount of money. A consultant was hired by the City of Oxnard to prepare these documents in conjunction with a developer paying for their preparation. The City of Oxnard does not own the wetlands and therefore, it would not be appropriate for the City of Oxnard Community Development Commission (Redevelopment Agency), to fund those improvements required of a private developer, absent a development agreement or owner participation agreement with the property owner/developer. The 2020 General Plan specifically requires that the wetlands be enhanced concurrent with the development of the area. The developer owned the wetlands and the surrounding land and therefore was required to fund the wetlands enhancements. The recommended use of the available funds in the Ormond Beach Redevelopment Project Capital Improvement Project titled Resource Protection, could then be used to provide access corridors, education facilities, and view points for the public as an appropriate funding source and purpose.

Southern California Edison has recently funded the preparation of the EIR and SP for Ormond Beach. Wetland mitigation will be included in the EIR as part of the mitigation monitoring program. As development occurs wetland mitigation will be required as indicated in the 2020 General Plan Land Use Element.

The wetland enhancement policies in the 2020 General Plan relative to the Land Use Element and Open Space Element are clear and staff will strive to implement them. Through a private/public partnership, funds will become available to accomplish the goals of the 2020 General Plan.

ORMOND BEACH REDEVELOPMENT AREA

The Ormond Beach Redevelopment Plan calls for rehabilitation and expansion of existing industrial uses while at the same time encouraging new private development and facilities that encourage tourism, residential development, and a more balanced approach to land uses in the area.

Summary of Project:

Date Redevelopment Plan Adopted November 22, 1983

Land Area 1,334 acres

Project Termination November 21, 2023

Tax Increment Limit \$150,000,000.

Deadline for Establishing Debt November 21, 1998

Deadline for Debt Repayment November 21, 2033

Physical, Social and Economic Conditions Existing in 1983.

The mixture of land uses included public utilities, industrial, agricultural, undeveloped land, wetlands, dune area and beach. The beach is difficult to access and needs improved public access; inadequate provisions for access to open space and recreational facilities; wetlands in need of restoration and protection; numerous vacant lots and under-utilized properties; lack of public improvements, infrastructure, and public facilities and services; overall economic stagnation; inadequate provisions for access to open space and recreational facilities; lots laid out in disregard for physical characteristics; illegal dumping on vacant land; and areas subject to periodic flooding due to lack of an adequate drainage system. The City's Waste Water Treatment Plant located within the area caused serious odor problems. Criminal activities occurred in the project area. Approximately 27% of the designated industrial area had been developed. The agricultural land area is highly alkaline and subsequently generates low crop yields. Some of the agricultural areas ceased being used to grow crops because it was not the most economical use. Much of the agricultural uses consist of growing sod. There are no residential or commercial structures in the project area.

ORMOND BEACH REDEVELOPMENT SINCE 1983

(Increased Employment Opportunities)

Year	Land Uses	Building Size/Acres
1984	Hueneme Industrial Center	93,750 square feet
1985	Willamette Industries Expansion	71,200 square feet
1986	American Pacific Marine	18,018 square feet
1987	Self-Storage Facility	115,660 square feet
1987	BMW Vehicle Preparation	171,000 square feet
1987	Waste Water Treatment Plant Expansion	248,350 square feet
1988	Kim-Truss Corporation Expansion	1,376 square feet
1989	Van-R- Dental	80,948 square feet
1992	Pacific Vehicle Processors	71,048 square feet
1996	Willamette Industries Expansion	61,949 square feet
1996	Port Hueneme Water Agency	10,449 square feet
1997	Pacific Vehicle Processors	30 acre expansion
1997	Oxnard Harbor District	10 acre expansion
1998	American Pacific Marine Expansion	1 acre expansion

Community Development Commission Participation/Completed Activities:

- Constructed barriers to off-road vehicles to prevent damage to the natural resources and endangered species at the terminus of Arnold Road.
- Paid for additional beach patrols to protect the natural resources and prevent damage to constructed barriers
- Constructed a fence on City property south of the WWTP to prevent illegal dumping.
- Worked with private property owners to construct fences around vacant land to limit access by off-road vehicles and prevent illegal dumping.
- Worked with private property owners to place barriers at the terminus of McWane Blvd. west of Arcturus Ave. to prevent off-road vehicle access to Ormond Beach.
- Participated in a testing and monitoring program on the Halaco site which was undertaken by state and federal agencies including the Environmental Protection Agency.
- Obtained a grant from the Coastal Conservancy to prepare a wetlands restoration and management plan for wetlands adjacent to the Edison Company.
- Consolidated the beachfront lot owners representation to work on a resolution of inadequate beachfront lot issues.
- Acquired 64 privately owned beachfront lots for preservation of beachfront open space.
- Vacated Eisenhower Circle and consolidated parcels for resale development by BMW.
- Completed street improvements on Perkins Road and a portion of Hueneme Road.
- Constructed a parking lot at the terminus of Arnold Road for public access to Ormond Beach.
- Waste Water Treatment Plant (WWTP) expansion, which resulted in substantial reduction of emission odors, screening, and extensive landscaping of the WWTP.
- Construction of a 42 inch major sewer line and relocated a 12 inch water line in conjunction with the City's infrastructure master plan from the WWTP to Pleasant Valley

Road.

- Acquired vacant lots in the Hueneme Road Assessment District
- Sold 30 acres of land for expansion to Pacific Vehicle Processors.

Community Development Commission Current Activities:

- Working on widening and completing the street improvements for Hueneme Road between Saviers Road and the Oxnard Industrial Drain.
- Working on developing a Specific Plan for Ormond Beach.
- Working on developing a wetland restoration and management plan in conjunction with the Environmental Impact Report for the Ormond Beach Specific Plan.

While new investment and development of some vacant land has occurred, vacant and under-utilized properties remain a problem in the redevelopment area. Completion of the Ormond Beach Specific Plan will increase the opportunity for development, new jobs, and the amount of tax dollars that can be generated in the area could substantially increase over current levels providing the capital to meet the rest of the goals and objectives of the Redevelopment Plan.

Issue 2. The revenues in the 5 year (FY 89 to 92) spreadsheet totaled \$6 million dollars, but when she adds together the figures, the numbers equal \$9 million. Why is there a difference in the figures?

Response 2:

The answer to these issues are identified in Table 3 Titled the Original Format Corrected (see note in right margin on Page 3 of 4 from Table 3).

Issue 3. The second spreadsheet which indicates that there was a "huge drop" in revenue. Why did revenues drop during this time?

Response 3:

From 1991 through 1995, the US economy experienced a recession. Locally, the real estate market values declined and did not stabilize, or bottom out, until 1996 and experience a slight increase in values in 1997. The recession negatively impacted the values of the property. As properties were sold the sales prices were lower than the previous years assessed valuations. In addition, many property owners, such as the Baldwin Company, initiated the assessment appeal process and had the assessed values temporarily lowered to correspond to comparable sales. Both of these factors negatively impacted the tax increment generated from the property since the tax increment is directly linked to the assessed valuations.

Issue 4. The spreadsheets indicate that over the last 5 years the capital improvement projects appeared to me \$2 million in the red. However, available for appropriations authorized for projects show \$500,00 spent over the \$8 million in revenues. How could the project be in the "red"?

Response 4:

The deficit is only a budget figure. The actual balance is not a deficit. The actual amount is a positive balance of \$1,036,654. See Table 4 original format corrected Page 4 of 4.

Issue 5. I request a comparison of the state controllers' report for the last 10 years to the City's report on Ormond Beach.

Response 5:

The comparison of the State Controller's Report for the last 10 years is found in Table 5 Titled Audit to State, Pages 1-3.

Issue 6. What is the surplus now at Ormond Beach? From the spreadsheet it appears to be \$1,300,000 but I have been told a smaller figure.

Response 6:

See Response No. 5 above.

Fund Balance as of June 30, 1997	\$1,036,654
Reserves	<117,738>
Designated for CIPs	<547,239>
Available Undesignated	\$371,677

Issue 7. What are the plans for the surplus now at Ormond Beach especially as it relates to "rehabilitate, restore and protect existing environmental resources as mentioned in the 2020 General Plan"?

Response 7:

Though, \$371,677 is in the available undesignated fund balance, there is still an outstanding obligation to the Oxnard Union High School District. These funds may be utilized to pay the remaining debt due to the District first, then secondly for projects within the Project Area.

Issue 8. Since there are so many questions regarding Ormond Beach, is the Council prepared to move forward at this time with the new project area?

Response 8:

On July 1, 1998, the Financial Services Management Program will establish a specified set of numbers between 400 to 499 dedicated to the Redevelopment Agency/CDC accounting. This series of numbers will be set aside only for financial transactions of the Agency/CDC. Additionally, the Finance Director and City Treasurer is currently proposing and will be submitting to the City Council in March or April of 1998 a recommendation to change application software and the hardware platform to upgrade the accounting system. This new application software will make financial information more user friendly, for City officials and the public, and more accessible for all users.

Currently several programs or portions of programs provide Redevelopment services within the City's existing organizational structure. With the proposed consolidation of all the Redevelopment funds to the 400 accounts, including identification of separate project accounts and this will provide for better tracking of projects and financial transactions. Staff implementation will be re-aligned to be compatible with the tracking of funds by financial accounting systems. Similar projects, i.e., industrial, commercial, residential or mixed-use will be grouped and assigned to a specific project manager. Overall Program Management for the Redevelopment Project Area will be accountable for all actions within that Redevelopment Project Area, i.e. downtown, Ormond Beach, etc. Responsibility for all project areas will be the responsibility of the CDC Administrative Director. The Executive Secretary of the Community Development Commission (City Manager) will be responsible for oversight on all Redevelopment activities including financial and operational compliance. This proposed structure may be modified once a comprehensive review of the entire City and Agency activities are completed.

Issue 9. According to the State Controllers Report concerning years 1993 through 1996, there were no new or rehabilitated residences and no jobs created as a result of any of the four project areas.

Response 9:

There is a discrepancy between the information the CDC submitted to the State and the information which was actually published within the State Controller's Report. The published State Controllers Report for the CDC activity referred to is reported by fiscal year, therefore, the following fiscal years reported from both the State's reports and the reports formally submitted by the CDC, as it relates to the number of new or rehabilitated buildings constructed, and the number of jobs created as a result of CDC activities is identified in the following table:

	<u>FY 92-93</u>	<u>93-94</u>	<u>94-95</u>	<u>95-96</u>	<u>96-97</u>
<u>State Controllers Report</u>					
Number of new or rehabed Units	Nothing Reported	Nothing Reported	Nothing Reported	Nothing Reported	Not Available
Jobs created	Nothing Reported	Nothing Reported	Nothing Reported	Nothing Reported	Not Available
<u>CDC report submitted to the State</u>					
Number of new or rehabed Units	278	191	281	49	164
Jobs created	3	0	0	0	1

The CDC is not required nor does it normally track job creation. The number of jobs created identified in the table reflect the Downtown Commercial Rehabilitation Program. There were a significant number of jobs created in the Ormond Beach area and the Channel Islands Business Center which were not reflected in the job creation figure in the State Controller's Report.

Is this in a redevelopment project

VI. LETTER FROM NANCY PEDERSEN DATED MARCH 3, 1998

Ms. Pederson objected to the Redevelopment Plan on the following grounds:

Issue 1. "Too many unanswered questions about how redevelopment funds have been spent in the past."

Response 1:

The Community Development Commission has four active redevelopment project areas. These areas include the following:

- Downtown Renewal/ R108 - established in 1968
- Central City Revitalization Project - established in 1976
- Ormond Beach - established in 1983
- Southwinds - established in 1985

Each of these project areas have active programs and projects which have been undertaken since their inception. The following is a list of project and programs which have been under the auspices of the Oxnard Community Development Commission:

- ▶ Business Improvement Program
- ▶ Administration and Planning
- ▶ Public Infrastructure
- ▶ Retention and Attraction

An example of the types of programs and projects undertaken over the life of the plans are as follows:

- ▶ Sign and Image Project (CBD)
- ▶ Heritage Square (CBD)
- ▶ Oxnard Transportation Center (CBD) *allow Transit to*
- ▶ Special Events and Cultural Projects (CBD)
- ▶ Area Wide Security and Rehabilitation (Southwinds)
- ▶ Graffiti Abatement (Southwinds)
- ▶ Southwinds Recreation and Police Community Storefront (Southwinds)
- ▶ Development of Specific Plan and EIR for Ormond Beach(Ormond Beach)
- ▶ Facade & Building Renovations (CBD)
- ▶ Heritage Square Phase II and CET Building Improvement Project (CBD)
- ▶ Centralized Management/Marketing Project (CBD)
- ▶ Southwinds Recreation Facility (Southwinds)
- ▶ Homebuyers Assistance Program (Southwinds)
- ▶ Housing Rehabilitation (Southwinds)
- ▶ Acquisition of Antiquated Beachfront Subdivision (Ormond Beach)
- ▶ Protection of Off-Road Vehicle Access to Beach (Ormond Beach)
- ▶ Undertake design and develop financing mechanism for Hueneme Road
- ▶ Commercial Rehabilitation (Southwinds)
- ▶ Commercial Industrial Attraction (Ormond Beach)
- ▶ Wallenius Lines Expansion (Ormond Beach)
- ▶ Acquisition and Disposition of Property in the Hueneme Road Assessment District (Ormond Beach)
- ▶ Williamette Industries Expansion and Rehabilitation of Vacant Facility (Ormond Beach)
- ▶ Borla Industries Acquisition and Rehabilitation of Vacant Facility (Ormond Beach)
- ▶ Development of Water Reclamation Facility (Ormond Beach)
- ▶ Street Improvements in Downtown, includes traffic lights and street repairs (CBD)
- ▶ "A" Street Enhancement Project (CBD)
- ▶ Plaza Park Development Project (CBD)
- ▶ Street, Sidewalk, and Alley Improvement (Southwinds)
- ▶ Undertake design and implementation of Courtland Street Buildout (Southwinds)
- ▶ Public Information Signage (Southwinds)
- ▶ Refuse Enclosure Improvements (Southwinds)
- ▶ Street Lighting (Southwinds)
- ▶ Median Improvements (Southwinds)
- ▶ Drainage and Streetscape Improvements (Ormond Beach)
- ▶ Access Improvement (design of Hueneme Rd Buildout) (Ormond Beach)

*What does
Redeveloping
EB?*

▪ Storm Drains (CBD)

Issue 2. Existing project areas are still blighted.

Response 2:

Based upon the current economic conditions of the existing project areas, funds are not available to eliminate all blighting conditions. Thus, funds are targeted on an annual basis to projects and programs to eliminate the blighting conditions based upon priorities established by the Community Development Commission in concert with community input.

Issue 3. The City's efforts in protecting Ormond Beach have yet to begin even though the project was adopted in 1983.

Response 3:

The Community Development Commission and the City Council have undertaken a variety of programs and projects aimed at protecting the natural resources. First, the City and CDC have acquired rights to an antiquated subdivision located on Ormond Beach. Second, the CDC has constructed barriers to off-road vehicles damaging the natural resources located in Ormond Beach. Third, the City and CDC has worked with Southern California Edison (SCE) on a wetlands restoration and management plan for wetlands owned by SCE. Fourth, the CDC paid for additional beach patrols to protect the natural resources and the City's assets from off-road vehicle damage. Fifth, the City/CDC participated in a testing and monitoring program on the Halaco site which was undertaken by state and federal agencies including the EPA. Sixth, as part of the Specific Plan and EIR process for Ormond Beach, the City and CDC are developing a wetlands restoration plan for the property located in the Specific Plan area. The property in question is under private ownership and the City does not have the authority to force a private property owner to voluntarily initiate wetlands restoration except to the extent that the wetlands restoration could be required as a component of the permit and entitlement process.

VII. HANDOUTS FROM ROMA ARMBRUST

The three handouts received by Ms. Armbrust center on the financial accounting of the Ormond Beach Redevelopment Project Area. The following are the points specifically discussed by Ms. Armbrust at the meetings of March 3, 1998.

Issue 1. Why is there a discrepancy between the Annual Report, State Controller's Report and the spreadsheet prepared by the City for the amount of tax increment revenue received in fiscal year 1995-96?

Response 1:

There is no discrepancy between the audited report and State Controller's Report for Fiscal Year 95-96. The information is available in the three attached tables titled Original Format Corrected

(Table 3), Original to Audit (Table 4), and Audit to State (Table 5).

Issue 2. Ms. Armbrust handout indicated that \$17,503,743 of total revenues were received by the Ormond Beach Project Area. She indicates that 45% of the funds are passed onto taxing entities with passthrough agreements and thus, \$10,575,000 was available for programs and projects. The questions is why only \$547,239 is available for projects and programs.

Response 2:

See Table No. 3 titled Original Format Corrected which identifies the revenues and expenses.

The 45% of revenue passed through to other taxing entities or deposited into the 20% low and moderate income housing fund is not a correct figure. First, the pass through agreements and 20% set aside obligation only pertains to the tax increment revenue received by the Ormond Beach Project Area. Second, the pass through of tax increment and the 20% set aside are all calculated on the gross tax increment revenue received. Currently, the project area has two pass through agreements. The table below provides an overview of the percentages the taxing entities receive of the tax increment revenue:

Oxnard Union High School District	2% of the gross tax increment	31.7
County of Ventura General Fund -	31.7% of the gross tax increment	3
County Flood Control Administration Fund -	.3% of the gross tax increment	3
County Flood Control Zone 2 Fund -	3% of the gross tax increment	20
Housing Set Aside	20% of the gross tax increment	57.0

As an example, if the project area received \$1,000,000 per fiscal year, the project area would net the following:

\$1,000,000 X 12% =	\$120,000
\$1,000,000 X 31.7% =	\$317,000
\$1,000,000 X .3% =	\$ 30,000
\$1,000,000 X 3% =	\$ 3,000
\$1,000,000 X 20% =	\$200,000
Sub-total amount of Pass Through and Set Aside	\$670,000
Deferred Oxnard Union High School Payment	\$200,000
Total amount of Pass Throughs and Set Aside	\$870,000

Net available for programs and projects - \$130,000 or 13%.

In addition, the CDC deferred the Oxnard Union High School District pass through for 10 years in accordance with a previous agreement. During the deferral period, approximately \$1,000,000 of deferred pass through has accumulated. The CDC pays to the District \$200,000 each year, in addition to the 12% of gross tax increment until such time the deferred pass through is paid in full. Thus, of every \$1,000,000 of tax increment revenue received in Ormond Beach, \$870,000 is given

to other taxing entities or deposited into the 20% Low and Moderate Income Housing Fund. This leaves \$130,000 or 13% available for programs and projects within the Ormond Beach Project Area. These funds are primarily used for economic development activities to attract, retain and assist businesses in expanding in the Ormond Beach Project Area.

The following is a description of the expenses, projects, and revenues for the Ormond Beach project:

ORMOND BEACH REDEVELOPMENT PROJECT FUND SUMMARY

Schedule of Revenue and Expenditures

From fiscal year 1987-88 thru 1996-97

Original Format Corrected

See Table 3

REVENUE (Combined Total Actuals)

Supplemental Property Tax \$329,132.85

- Mid-year tax increment funds collected from properties reassessed by the County of Ventura Tax Collector.

Tax Increment Revenue \$9,285,747.86

- Gross tax revenue received from the County of Ventura Tax Collector.

County Pass-Thru (\$2,054,976.05)

- Redevelopment state law mandates that a percentage of the gross tax increment must be paid to the following taxing entities:

Oxnard Union High School District	12 % of the gross tax increment
County of Ventura General Fund	31.7% of the gross tax increment
County Flood Control Administration Fund	.3% of the gross tax increment
County Flood Control Zone 2 Fund	3 % of the gross tax increment
Housing Set Aside	20% of the gross tax increment

ERAF (Educational Revenue Augmentation Funds) (\$649,432.45)

- A reallocation of property taxes for three years starting in fiscal year 1992-93 for educational purposes as mandated by the State.

Housing Set-aside (\$1,260,141.14)

- Redevelopment State law mandates that 20% of the gross tax increment is to be used for affordable housing programs.

High School District Pass-Thru (\$436,925.00)

- Pass through agreement between the Oxnard Union High School District and the City for the Ormond Beach project area so that 12% of the gross tax increment is paid to High School Districts.

Deferred High School District Pass-Through

(\$400,000.00)

- The Community Development Commission and the Oxnard Union High School District deferred the pass through for 10 years in accordance with an agreement. During the deferral period, approximately \$1,000,000 of deferred pass through accumulated. The CDC pays to the High School District \$200,000 in addition to the 12% of gross tax increment until the deferred pass through is paid in full.

State Subvention

\$5,000.00

- The Redevelopment Agency share of a one time state tax funds received.

Interest Investments

\$1,525,408.53

- Interest earnings received by the redevelopment agency from money invested.

Interest Others

\$377,164.95

- Interest received from a Baldwin Company note based on a Deed of Trust. Baldwin declared bankruptcy in fiscal year 1993-94. After coming out of bankruptcy payments resumed in March 1998.

Other Reimbursements

\$522,601.44

- Baldwin Company reimbursed the Redevelopment Agency for costs associated with the Ormond Beach Environmental Impact Report and Specific Plan.

Sale of Personal Property

\$3,086,389.00

- Funds received for the sale of Redevelopment Agency owned property in Ormond Beach.

Payments Loans

\$97,066.93

- Funds received from the Baldwin Company for Redevelopment Agency expenses at 9% interest.

EXPENDITURES (Combined Total Actuals)

Services-Legal >

(\$636,494.37)

- Attorney services associated with the Environmental Impact Report, Specific Plan, Proposed Development Agreement for Ormond Beach, Hueneme Road Assessment District, Antiquated beach lot subdivision for City acquisition, and sale of other Ormond Beach properties.

Services-Planning

(\$13,565.31)

- Planning services for preparation of Capital Improvement Projects and environmental documentation.

Services Real Estate

(\$16,314.90)

- Real Estate services associated with Appraisal reports and Phase one and or Phase two environmental analysis of property the Redevelopment Agency was acquiring or selling.

Services Other

(\$552,818.53)

- A majority of the costs are associated with State and Federal lobbyist and Economic Development Commission assistance in Ormond Beach to provide potential industrial businesses to help increase job base.

Contribution To Other

(\$180,000.00)

- Invested Ormond Beach funds.

Loan Principal

(\$793,226.82)

- Loan paid to the California Department of Boating and Waterways for funds received for preparation of a Marina Study in Ormond Beach. Loan payments to the Oxnard Union High School District for deferred pass-thru agreement.

Loan Interest

(\$638,796.42)

- Interest paid by the Redevelopment Agency for funds borrowed from the City of Oxnard General Fund to establish debt to receive tax increment funds from the County of Ventura.

Services From Program

(\$2,489,109.49)

- For the first 6 budget years charges associated with the mandatory share of the City's operations such as cost of office space, city attorney, facilities maintenance, liability insurance etc. were charged to all city programs and for Ormond Beaches share of Community Development Commission's operational expenses. For the last 4 years only a portion of the project managers salary is being charged to this account.

Internal Services

(\$1,536,250.15)

- The City changed the method of charging Ormond Beaches share of the Community Development Commission's operations budget from Services From Programs to Internal Services.

Property Tax Administrative Charges

(\$114,332.17)

- In addition to the County of Ventura's administrative fee of 5%, the County also charges for full cost recovery to collect and distribute redevelopment funds.

*Mailing 33,000 informational
\$18,000 brochure*

CAPITAL IMPROVEMENT PROJECTS (Combined Total Actuals)

may '94

Lot Consolidation Grant

\$5,503.00

- Grant from the California Coastal Conservancy to research property ownership and obtain information from the approximately 70 property owner's of beachfront lots in Ormond Beach in order to negotiate a purchase of the beachfront lots for open space purposes.

Site Plan/Environmental Assessment

\$30,000.00

- Consultant services associated with preparation of Appraisals, Phase I and Phase II environmental assessment, and site planning of properties acquired in Ormond Beach.

Land Property Acquisition

\$1,729,000.00

- Purchase of approximately 341 acres of property in Ormond Beach.

Resource Protection

\$522,239.00

- Spent \$11,480.00 to date for placement of barriers at the terminus of Arnold Road to prevent off-road vehicles on the beach including additional beach patrols in the spring and summer months.

Home Program/Rental Production

\$134,039.00

- These funds represent the City's match to Housing and Urban Development's HOME Program for production of new rental units. The funds were used for the Villa Solimar project and are Housing Fund monies generated from Ormond Beach.

Set-Aside Property Acquisition

\$717,107.00

- Monies from the Ormond Beach 20% set aside were used for the acquisition of the Donlon property. The property was sold to Cabrillo Economic Development Corporation and Villa Solimar was constructed.

Hueneme Acquisition

\$249,500.00

- Funds were used to acquire approximately 39.3 acres in the Hueneme Road Assessment District Properties. Approximately 30 acres have been sold for private development.

**Response to Verbal Comments
from Joint Public Hearing of
March 3, 1998**

**VIII. VERBAL COMMENTS RECEIVED AT THE JOINT PUBLIC HEARING ON
MARCH 3, 1998**

Issue 1: Redevelopment will have a negative impact on the City's General Fund— it will cause a reduction of service due to lack of funds.

Response 1:

The proposed Project Area currently has a negative impact on the City's General Fund in that it is not currently generating its relative share of sales tax revenue and property values are stagnant (see Section IV of the Report to Council). The proposed Redevelopment Plan is expected to help the General Fund by encouraging private development and job creation. Private development will cause property values to increase, generating additional revenues for the City's General Fund without raising tax rates. Additional revenue will also encourage additional spending, generating additional sales taxes.

Issue 2. "A" Street is thriving but the public is being told the area is blighted according to a newspaper article.

Response 2:

The comments reported in the Star Free Press about "A" Street thriving were made by a business and property owner based upon his experience before and after the "A" Street renovation project. There are two sections of "A" Street: the portion from Third to Ninth Streets and the portion from Palm to Third Streets. The Third to Ninth Streets portion are in the R108 and CCRP Redevelopment Project Areas and have undergone significant improvements in the past few years. These include: The Heritage Square Project, new streets, curbs, gutters, street trees, street lights, and signage. A considerable amount of rehabilitation has been completed to various commercial buildings, including: 658 South "A" Street; 629 South "A" Street; 325 South "A" Street; and 400 South "A" Street among others. These buildings and businesses have benefitted from redevelopment's assistance in one form or another.

but any improvement investment will be only to the Agency
The Palm to Third Streets portion is not in a current redevelopment area but will be in the proposed New Redevelopment Project Area. This area needs assistance in the form of business attraction and new investment capital.

Most redevelopment projects have at least a 30-year duration in order to address the various blighting conditions that existed at the time of adoption. Many times, the revenue generated from a project area may not be sufficient to address all of the blighting conditions experienced in a project area. Funds

are targeted in such a way to stimulate private investment and address infrastructure deficiencies that exist and cause blighting conditions to continue. Every project area is required to complete a 5-Year Implementation Plan. The plan describes how revenue generated from a project area will be utilized to eliminate blight and meet the projects low- and moderate-income housing objectives. The 5-Year plans are reviewed at the half-way point at a public hearing.

Issue 3. Why is the City not using the enterprise funds and gas taxes to pay for sewers; why are [tax] rates increasing and why are redevelopment funds being used instead of these funds?

Response 3:

The sewer enterprise fund should establish rates that cover both ongoing operating cost and replacement costs for City sewer infrastructure. According to the June 30, 1997 audit report, the revenues generated in the sewer enterprise fund do cover all these costs. The Historical Enhancement and Revitalization Project is intended to connect to the City sewer system some homes currently on septic systems.

There are no funds budgeted to provide sewer lines to areas that are currently on septic tanks, funds from existing system users would have to be diverted to non-users. As an example, in the McMillian Tract there are 157 homes on septic tanks, for a total cost for a new sewer line would be \$690,000, this does not include the sewer connection fees. These tracts were developed in the County which did not require a public sewer system. All City subdivisions had their sewers put in by the developer of the subdivision and therefore were included in the purchase price of the home.

The City uses gas tax money for street improvements in compliance with State law based upon an audit performed by the State Controller's Report dated September 11, 1997.

Issue 4. The blighting conditions are exaggerated and the Redevelopment Project will raise taxes.

Response 4:

The blight analysis contained in the Report to Council is based upon field survey data collected, other data collected and a careful analysis of conditions relative to the blighting definitions contained in the California Community Redevelopment Law. Adoption of a redevelopment plan does not raise tax rates and is intended to increase revenues by encouraging investment and redevelopment as discussed in item number 1 above.

Issue 5. Why is Hueneme Road from Saviers Road to "J" Street not included within the Project Area boundaries?

Response 5:

Hueneme Road from Saviers Road to "J" Street is already part of the Southwinds Redevelopment Project Area. Staff has been working with property owners to develop a commercial rehabilitation program for the commercial area along Hueneme Road and has been working with a local bank to secure financing for the project.

Issue 6. Creation of the Redevelopment Project should be on the ballot.

Response 6:

Large Redevelopment put out a brochure at great expense that was fully false & misleading information
The public has had several opportunities to participate in the evaluation of the proposed Project Area and provide input and comments on the Redevelopment Plan. The City Council will make a determination as to whether redevelopment is necessary for the proposed Project Area.

Issue 7. The Project Area includes properties owned by wealthy individuals: Wagon Wheel and the Esplanade should not be included.

Response 7:

The properties included in the Project Area are based upon present blighting conditions. The economic disincentives associated with blighting conditions affect the willingness of owners and investors to upgrade their properties regardless of the wealth or form of ownership of the property.

The economic blighting conditions that exist at the Esplanade are described in Section IV.4.b of the Report to Council. Evidence of the physical blighting conditions at the Wagon Wheel Specific Plan area are illustrated on Exhibits 4, 5A, 5B and 11 in the Report to Council. Physical blighting conditions found include poor quality materials and/or construction, building of inadequate size, obsolete buildings, buildings suffer from faulty layout, and lots suffering from circulation problems, loading and parking deficiencies. Further evidence of the economic blighting conditions that exist in the form of declining property values is presented herein and in the attached Table No. 6, titled Wagon Wheel Specific Plan Area. The change in secured assessed property values for the parcels in the Wagon Wheel Specific Plan Area and the entire City of Oxnard were analyzed over an eight year period from FY 89-90 through FY 96-97. As indicated Table No. 6, titled Wagon Wheel Specific Plan Area, the assessed value of the properties in the Wagon Wheel Specific Plan Area declined by 19.2% while the secured assessed value of properties in the City of Oxnard as a whole increased by 36.7%.

Issue 8. Why did the City spend money on a public relations campaign for the New Redevelopment Project and how much did they spend?

Response 8:

CDC and City Council Direction to staff was to provide as much information as possible to the public on the New Redevelopment Project. In response, an information brochure was prepared and response cards were printed. The brochure described the redevelopment process, answered questions the public

gave out misleading information.

and neighborhoods had on redevelopment, and described redevelopment financing. Total cost for graphics and for preparing, printing and mailing the brochures, which were distributed to 33,000 City of Oxnard water customers within their water bills, was \$18,626.14. Response cards were distributed at various public and neighborhood information meetings.

Issue 9. The CDC has promised that eminent domain will not be used; yet it is included in the Redevelopment Plan.

Response 9:

The CDC will not use eminent domain to acquire residential property; as indicated in the Redevelopment Plan, eminent domain may be used to acquire non-residential properties only. *baloney*

Issue 10. Long-term effects of debt should be examined; the Redevelopment Plan causes urban sprawl; the possibility of lowering City fees should be explored rather than using redevelopment as a tool. *unjustified*

Response 10:

Debt, in the form of tax increment bonds, will not be issued until sufficient tax increment is available to support it. The Redevelopment Plan is designed to reduce urban sprawl by encouraging the infill development of urbanized areas. While lowering fees may be an appropriate step in attracting new business to the Project Area, it is not sufficient alone to generate the revenues that would be needed to achieve the necessary redevelopment. Redevelopment financing is only one form which may be utilized to assist redevelopment of the Project Area and over many years may reverse the physical and economic blighting conditions.

Issue 11. The statewide redevelopment debt is \$40 billion – money taken from the schools. Other taxes to go up due to redevelopment.

Response 11:

The statewide debt is the combined debt of redevelopment agencies throughout California - not the debt of cities individually or collectively. There have been no defaults on redevelopment agency bonds in the last 30 years. Additionally, the state of California replaces the money "lost" to the schools by redevelopment projects by supplementing school funding from the state's General Fund. The state has determined that the use of redevelopment is an appropriate allocation of taxes and relies on redevelopment to create additional state revenues through job creation and additional funding through the additional income tax revenues and sales tax revenue generated and not through raising other taxes.

Issue 12. Who are the property owners, if 19 neighborhood councils voted "no" who don't we list that information in our report.

Response 12:

Prior to the Planning Commission action of February 12, 1998, revising the Project Area boundaries to delete the R1 zoned property in Blackstock South (per the neighborhood council's request) and the Lombard property, there were 2,328 parcels in the Project Area. All property owners and residents were noticed of the public hearing regarding the adoption of the Project Area.

When the survey area was adopted in May of 1994, a variety of residential, commercial and industrial properties were included in the project area. The City Council directed staff to meet with all of the affected neighborhood councils to determine if they were interested in utilizing redevelopment as a tool to improve the residential neighborhoods. If a neighborhood was not interested in using redevelopment as a tool to finance improvements to their respective neighborhood, the residential area was removed from the project area regardless if the residential area was blighted as defined by the Health and Safety Code. The survey area was amended accordingly, and the blight research was conducted to determine if the remaining survey area was blighted. Based upon the blight analysis, and further neighborhood input, the proposed project area boundaries were further reduced.

Issue 13.

Why is EDC getting people out to the meeting?

Response 13:

One of the roles of the EDC is to network and provide information to the local business community. In this capacity, the EDC was the conduit to distribute accurate information to the businesses regarding the establishment of the new redevelopment project area.

Issue 14.

The proposed improvements to Oxnard Boulevard won't be effective since Highway 1 is moving to Rice Boulevard.

Response 14:

The relocation of Highway 1 onto Rice Avenue will provide several benefits to the Project Area and vicinity. The Five Points intersection on Oxnard Boulevard is the most congested area of the City. Relocation of Highway 1 to Rice Avenue will reduce Oxnard Boulevard traffic by approximately 15%, which also includes truck traffic. Relocation of Highway 1 to Rice Avenue, with an interchange, will help with traffic flow, overall access into Downtown and Oxnard Boulevard will be from Fifth Street, which will provide better access once signage and other improvements are completed. Previously, the State prohibited on-street parking on the Boulevard to accommodate the State Highway. Once the highway is in City jurisdiction and no longer a State Route, the lane adjacent to the curb can once again be used for parking. The ability to park will benefit nearby businesses, making customer access easier and more convenient.

Issue 15.

Schools and school funding at the state level will be negatively affected.

Response 15:

See response to verbal comment No. 11.

Issue 16. Banks were included as blighting factor, but there are no shortage of banks in the area.

Response 16:

In the oral presentation at the public hearing, the blight definitions in the CRL were presented along with examples of each definition. A lack of banks and supermarkets were presented as examples of "A lack of necessary commercial facilities" and examples of the kinds of information that is sought during a field survey. These were intended as general examples only and not as actual blight findings in the Project Area. The actual findings of blight are contained the in the Report to Council.

VI. GENERAL ISSUES AND COMMENTS

Issue 1. The Use of Tax Increment Financing

Response 1:

While many of the attendees at the public hearing expressed concern about the use of tax increment financing as a means to pay for public improvements, it should be noted that long-term debt financing is a commonly-used mechanism to pay for long-term capital improvements. This mechanism is used in the private market every day to purchase residences and other property (mortgage financing) in addition to major infrastructure.

*mortgage to community & pay for
new infrastructure.*

Issue 2. The Assessed Value of Properties in the Proposed Project Area Relative to the City of Oxnard.

Response 2:

The total secured assessed value of the properties in the proposed Project Area is \$526,819,463. When compared to the total secured assessed value of the City at \$6,143,000,000, the Project Area represents 8.6% of the total assessed value of the City.

*but the potential for increase
or or Redevelopment.*

Issue 3. Consideration should be given to separate (bank) accounts.

Response 3:

The Finance Director and City Treasurer have reviewed the potential of a physical separation of RDA funds. The purpose of such a separation would be to increase the distinction between City funds and RDA funds. There are possible disadvantages to a physical separation, including decreased earnings on invested funds of the RDA by removal from the City's Pooled Investment Fund. They believe that the distinction between the funds will be clarified with the new reports developed by the City's Finance staff. Physical separation of funds can be reconsidered at a later date.

???

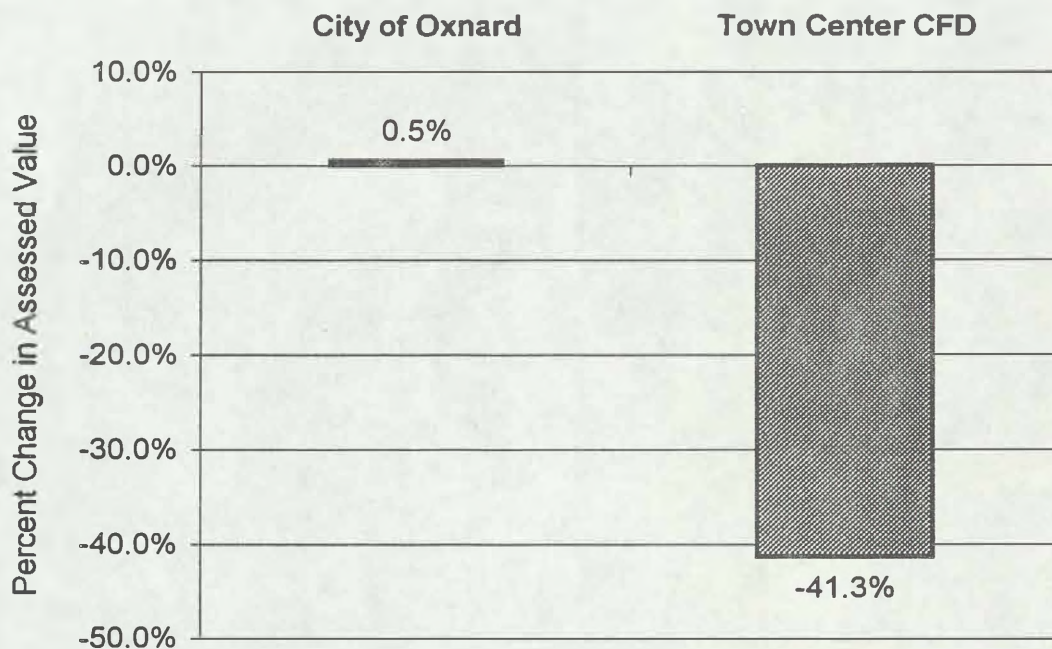
TABLE 1

**COMMERCIAL LAND SALES COMPARABLES
OXNARD, CALIFORNIA**

<u>NO.</u>	<u>CLOSE DATE</u>	<u>LAND ACRES</u>	<u>SALE PRICE</u>	<u>PRICE /SQ.FT.</u>	<u>PROPERTY DESCRIPTION</u>	<u>NOTES/COMMENTS</u>
1.	6/29/90	15.2	\$2,160,000	\$3.26	216 0 191 195, 205 NWC Eastman Ave. & Lombard St. M1-zoned acreage	
2.	12/30/92	74.5	\$5,100,000	\$1.57	183 0 160 160, 305 SEC 5th St. & Patterson Rd. Mixed use project site; REO sale.	REO sale.
3.	1/24/95	21.2	\$1,780,000	\$1.93	202 0 010 665 NEC Ventura Rd. & W. 5th St. Neighborhood shopping ctr. site	Future Albertson's

ATTACHMENT 1

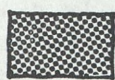
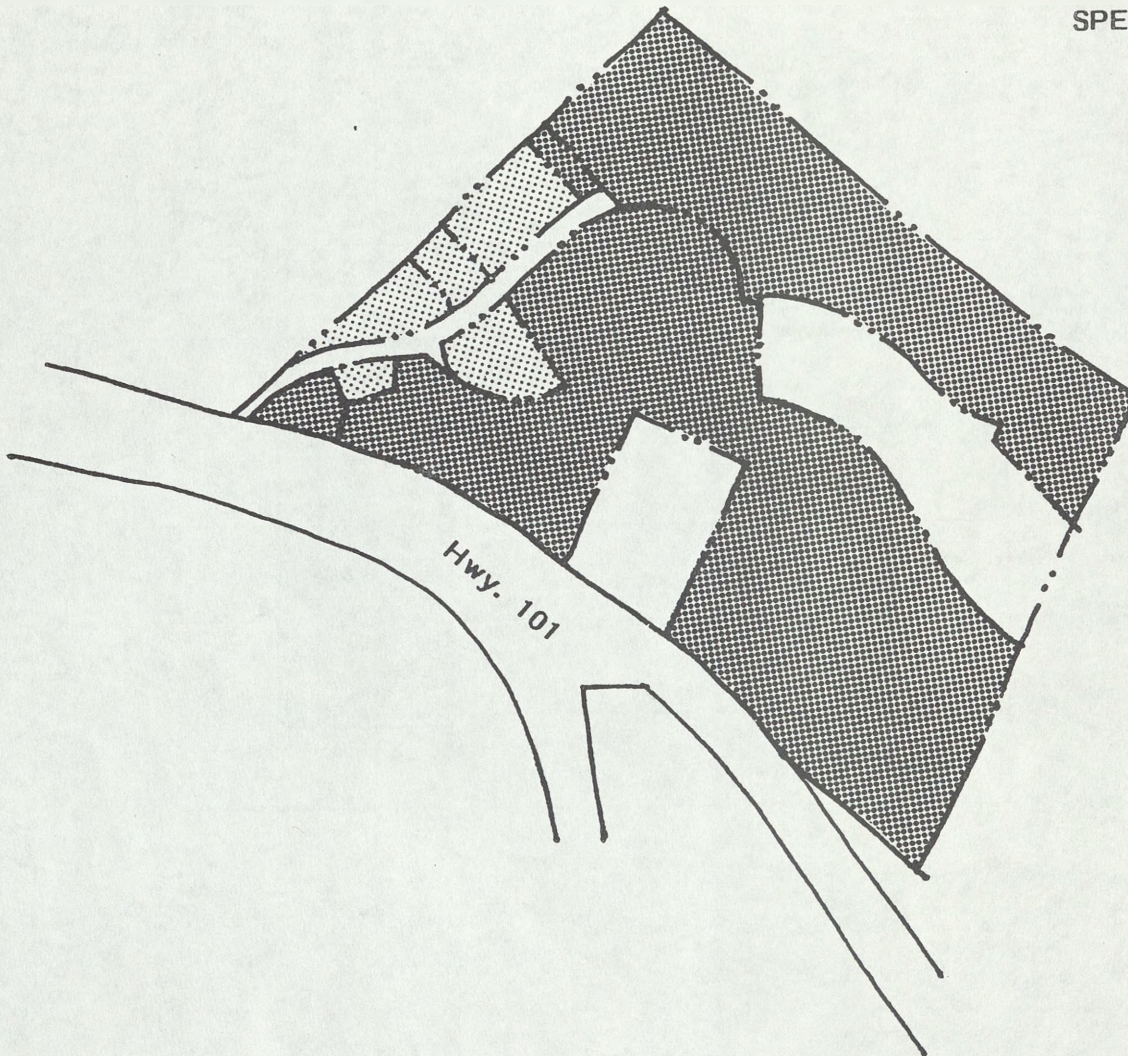
TABLE 2
 OXNARD TOWN CENTER
 CHANGE IN SECURED ASSESSED VALUE
 FY 1994-95 TO 1996-97



ATTACHMENT 4 (REVISED)
OF REPORT TO COUNCIL
PARCELS IN THE COMMUNITY FACILITIES DISTRICT

FOR THE OXNARD TOWN CENTER

SPECIFIC PLAN AREA



Parcels in the CFD and in default



Parcels in the CFD not in default



NO SCALE

ATTACHMENT 1

Page 32 of 45

ORIGINAL
FORMAT -
CORRECTED

TABLE 3
CITY OF OXNARD
ORMOND BEACH REDEV. PROJ. FUND (854)
SCHEDULE OF REVENUES AND EXPENDITURES
(on a budgetary basis)
FOR LAST TEN FISCAL YEARS ENDED JUNE 30, 1988 TO 1997

SCHEDULE - BUD-TO-ACT-1

ID: ORMOND /BDGT_ACT.WK4
REPORT DATED: 03-12-98

		FY 87-88		FY 88-89		FY 89-90		FY 90-91		FY 91-92	
		Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Operating Programs											
Revenue											
7006	Supplemental Property Tax			0	65,339.00	95,000	142,844.00	50,000	(1,261.00)	0	8,793.00
7007	Tax Increment Revenues	300,000	362,080.00	359,000	396,123.00	500,000	672,460.00	850,000	687,823.00	851,558	1,043,218.00
7009	County Passthru										
7011	ERAF										
7012	Housing Setaside										
	High School Dist. Pass Thru										
	Deferred High School Dist. Pass Thru										
7239	State Subventions	0	5,000.00								
7801	Interest-Investments	0	61,316.00	7,200	97,067.00	37,290	164,607.00	100,000	244,351.00	150,000	269,874.00
7802	Interest-Other			85,483	85,483.00	90,635	123,524.00	90,635	78,105.00	90,635	35,999.00
7862	Other Reimbursements					350,000	324,322.00	284,303	8,031.00	305,240	25,000.00
7901	Sale of Personal Property	1,224,000	1,224,000.00	1,935,500	1,862,389.00						
7951	Payments-Loans										
	Grants for CIP's										
Total Revenue		1,524,000	1,652,396.00	2,387,183	2,506,401.00	1,072,925	1,427,757.00	1,374,938	1,017,049.00	1,397,433	1,382,884.00
Expenditures											
8001	Direct Labor-Reg										
8002	Direct Labor-Temporary										
8040	Labor Overhead										
8101	Postage							100			
8102	Supplies-Office							500			
8121	Library Reference Materials							500			
8171	Minor Equipment-Office							700	668.65		
8204	Services-Legal	10,000	0.00	15,000	13,115.75	250,000	368,306.82	147,757	113,901.80	175,000	51,594.85
8206	Services-Planng			10,998	4,212.00	50,000	856.31	25,000	8,497.00	25,000	
8207	Services-Real Estate	11,000	2,500.00	8,000	1,840.40	4,000	3,365.00	10,000	4,400.00	10,000	
8209	Services-Other	223,070	116,016.82			100,000	20,675.64	200,000	84,979.31	244,000	28,155.00
8240	Services Printing/Binding			1,000	0.00	1,000	32,317.07			20,000	
8340	Contribution To Other										
8352	Training/Workshops	1,500	2,924.05	7,500	3,809.55	897	582.03	3,950	5,502.24	950	355.26
8407	Loan Principal	241,246	260,966.00	224,021	224,020.73	4,338	4,338.37	4,681	4,681.00	260,966	260,966.00
8408	Loan Interest	159,091	105,578.25	14,950	40,789.00	40,922	41,303.36	80,000	57,965.00	89,930	93,217.00
8517	Data Processing-Charges- WPC										
8550	Services From Program	50,333	47,276.22	93,400	86,184.77	146,475	91,640.11	618,951	553,841.72	926,819	850,838.00
8553	Internal Service Charges			0							
8567	Property Tax Administrative charges										
8650	Machinery-Equipment New			14,002	13,759.60						
Total Expenditures		696,240	535,261.34	388,871	387,731.80	597,632	563,384.71	1,092,139	834,436.72	1,752,665	1,285,126.11
Excess (Deficiency) of Rev. Over Expend.		827,760	1,117,134.66	1,998,312	2,118,669.20	475,293	864,372.29	282,799	182,612.28	(355,232)	97,757.89

TABLE 3
CITY OF OXNARD
ORMOND BEACH REDEV. PROJ. FUND (854)
SCHEDULE OF REVENUES AND EXPENDITURES
(on a budgetary basis)
FOR LAST TEN FISCAL YEARS ENDED JUNE 30, 1988 TO 1997

SCHEDULE --BUD-TO-ACT-1

ID: ORMOND / BDGT_ACT.WK4
REPORT DATED: 03-12-98

FY 87-88		FY 88-89		FY 89-90		FY 90-91		FY 91-92	
Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual

CAPITAL IMPROVEMENT PROJECTS (CIP)

PROJECT NO.	PROJECT DESCRIPTION	FY 87-88		FY 88-89		FY 89-90		FY 90-91		FY 91-92	
854-835-0088	Ormond Beach Lot Consolid Grant	5,503	3,110.00	0	0.00	0	1,333.80	0	1,059.20	0	0.00
854-835-0138	Ormond Beach Site Plan / Envn Assess.	30,000	5,000.00	0	20,000.00	0	0.00	0	5,000.00	0	0.00
854-935-0151	Ormond Beach / Lng Property Acq. <i>?</i>	1,441,000	1,441,000.00	288,000	288,000.00	0	0.00				
854-972-0080	Redev Opportunity Acquisitions							950,000	0.00	(600,000)	0.00
854-972-0244	Commercial Rehab Loan Program										
854-972-0272	Housing Assistance Set-Aside			109,625	0.00	100,000	0.00	439,116	0.00	159,815	0.00
854-972-0359	Traffic Signal-Hueneme/J St							100,000	3,000.00	0	74,634.14
854-972-0360	Ormond Beach Resource Protect <i>what?</i>							1,000,000	0.00	(450,000)	0.00
854-972-0367	Redev/Mobilehome Repl Progm							50,000	0.00	0	0.00
854-972-0411	Ormond Beach Project Improvmt									200,000	0.00
854-972-0416	Homeless Family Shelter Proj									100,000	0.00
854-972-0466	Home Prog/Renatl Production										
854-972-0467	Home Prog/First-Time Buyers										
854-972-0487	Set-Aside Property Acquisition										
854-972-0556	Ormond Bch Alt Hsg Site Acquis										
854-972-0579	RDS-Pressure Monitoring										
854-972-0580	Ormond Bch-Hueneme Rd Widning										
854-720-0693	Hueneme Acquisition										
Total Project Expenditures		1,476,503	1,449,110.00	397,625	308,000.00	100,000	1,333.80	2,539,116	9,059.20	(590,185)	74,634.14
Excess (Deficiency) of Rev. Over Expend. After Capital Improvement Projects		(648,743)	(331,975.34)	1,600,687	1,810,669.20	375,293	863,038.49	(2,256,317)	173,553.08	234,953	23,123.75

Why did the city buy the LMC Property?

3233

*Why did Redevelopment purchase the LMC Property?
For 1,441,000
1,441,000
288,000
288,000
\$3,458,000*

ORIGINAL
FORMAT
CORRECTED

TABLE 3
CITY OF OXNARD
ORMOND BEACH REDEV. PROJ. FUND (854)
SCHEDULE OF REVENUES AND EXPENDITURES
(on a budgetary basis)
FOR LAST TEN FISCAL YEARS ENDED JUNE 30, 1988 TO 1997

ID: ORMOND / BDGT_ACT.WK4
REPORT DATED: 03-12-98

		FY 92-93		FY 93-94		FY 94-95		FY 95-96		FY 96-97		COMBINED TOTAL - ALL YEARS	
		Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Operating Programs													
Revenue													
7006	Supplemental Property Tax	0	1,896.02	2,000	52,844.22	2,000	18,479.23	5,000	59,391.63	10,000	(19,193.25)	164,000	329,132.85
7007	Tax Increment Revenues	649,004	1,235,109.98	678,350	1,351,416.79	1,355,000	1,182,188.77	1,382,100	1,186,724.75	10,001	1,168,603.57	6,935,013	9,285,747.86
7009	County Passthru	0	(400,722.00)	0	(459,029.05)	(542,800)	(395,453.00)	(851,937)	(416,717.00)	(788,700)	(383,055.00)	(2,183,437)	(2,054,976.05)
7011	ERAF	0	(250,996.00)	0	(199,194.47)	(199,195)	(199,241.98)	0	0.00	10,000	0.00	(189,195)	(649,432.45)
7012	Housing Setaside	0	(247,396.00)	0	(280,852.00)	0	(236,410.00)	(277,420)	(265,601.00)	(252,000)	(229,882.14)	(529,420)	(1,260,141.14)
	High School Dist. Pass Thru						(135,559.00)		(270,166.00)		(31,200.00)	0	(436,925.00)
	Deferred High School Dist. Pass Thru								(200,000.00)		(200,000.00)	0	(400,000.00)
7239	State Subventions											0	5,000.00
7801	Interest-Investments	150,000	239,726.50	175,000	185,173.61	160,000	36,008.51	160,000	124,628.62	115,000	102,656.29	1,054,490	1,525,408.53
7802	Interest-Other	22,659	14,209.42	0	39,844.53	20,000	0.00	0	0.00	0	0.00	400,047	377,164.95
7862	Other Reimbursements	200,000	38,817.07	0	30,371.37	100,000	27,812.00	0	68,248.00		0.00	1,239,543	522,601.44
7901	Sale of Personal Property											3,159,500	3,086,389.00
7951	Payments-Loans	77,341	97,066.93	0	0.00	0	0.00	0	0.00	0	0.00	77,341	97,066.93
	Grants for CIP's											0	0.00
Total Revenue		1,099,004	727,711.92	855,350	720,575.00	895,005	297,824.53	417,743	286,509.00	895,699	407,929.47	10,127,882	1,047,036.92

These figures were not carried through
to the "TOTALS" column
on the original schedule presentation

Expenditures													
8001	Direct Labor-Reg	1,137	0.00	15,000	7,861.57	0	0.00	0	0.00	0	0.00	16,137	7,861.57
8002	Direct Labor-Temporary	0	1,250.37	0	0.00	0	0.00	0	0.00	0	0.00	0	1,250.37
8040	Labor Overhead	300	178.17	5,000	2,041.06	0	0.00	0	0.00	0	0.00	5,300	2,219.23
8101	Postage	158	0.00	150	0.00	0	0.00	0	2.26	1,000	12.30	1,408	14.56
8102	Supplies-Office	2,528	1,018.87	300	0.00	0	0.00	0	0.00	0	0.00	3,328	1,018.87
8121	Library Reference Materials	525	0.00	500	0.00	0	0.00	0	0.00	0	0.00	1,525	0.00
8171	Minor Equipment-Office	79	0.00	100	0.00	0	0.00	0	0.00	2,500	839.87	3,379	1,508.52
8204	Services-Legal	190,775	47,030.95	60,000	31,706.55	50,000	3,206.40	50,000	1,224.75	35,000	6,406.50	983,532	636,494.37
8206	Services-Planng	25,000	0.00	0	0.00	0	0.00	0	0.00	0	0.00	135,998	13,565.31
8207	Services-Real Estate	10,000	1,500.00	5,000	0.00	5,000	0.00	5,000	0.00	15,000	2,709.50	83,000	16,314.90
8209	Services-Other	260,000	27,718.00	70,000	10,111.38	117,000	82,000.00	117,000	107,696.61	117,000	75,465.77	1,448,070	552,818.53
8240	Services Printing/Binding	20,000	0.00	0	0.00	0	0.00	0	0.00	0	0.00	42,000	32,317.07
8340	Contribution To Other	0	0.00	180,000	180,000.00	0	0.00	0	0.00	0	0.00	180,000	180,000.00
8352	Training/Workshops	1,037	0.00	1,050	0.00	250	36.49	250	0.00	2,500	25.00	19,884	13,234.62
8407	Loan Principal	5,450	5,449.93	5,880	12,225.50	6,345	6,345.00	6,846	6,846.29	7,387	7,388.00	767,160	793,226.82
8408	Loan Interest	137,521	80,800.80	95,840	72,262.84	79,676	75,955.00	38,624	42,845.17	35,584	28,080.00	772,138	638,796.42
8517	Data Processing Charges- WPC	0	0.00	0	0.00	0	0.00	663	663.00	403	402.96	1,066	1,065.96
8550	Services From Program	954,270	736,959.80	30,000	16,302.91	33,050	33,049.92	35,189	42,347.56	34,295	30,668.48	2,922,782	2,489,109.49
8553	Internal Service Charges	0	0.00	688,251	637,523.27	440,474	407,957.27	278,923	256,310.69	239,744	234,458.92	1,647,392	1,536,250.15
8567	Property Tax Administrative charges	0	24,841.97	13,300	20,103.10	13,500	12,807.10	24,000	15,616.38	24,000	40,963.62	74,800	114,332.17
8650	Machinery-Equipment New	0	0.00	0	0.00	0	1,000.00	0	0.00	0	0.00	14,002	14,759.60
Total Expenditures		1,608,780	926,748.86	1,170,371	990,138.18	745,295	622,357.18	556,495	473,552.71	514,413	427,420.92	9,122,901	7,046,158.53
Excess (Deficiency) of Rev. Over Expend.		(509,776)	(199,036.94)	(315,021)	(269,563.18)	149,710	(324,532.65)	(138,752)	(187,043.71)	(1,410,112)	(19,491.45)	1,004,981	3,380,878.39

ORIGINAL
FORMAT -
CORRECTED

TABLE 3
CITY OF OXNARD
ORMOND BEACH REDEV. PROJ. FUND (854)
SCHEDULE OF REVENUES AND EXPENDITURES
(on a budgetary basis)
FOR LAST TEN FISCAL YEARS ENDED JUNE 30, 1988 TO 1997

ID: ORMOND / BDGT_ACT.WK4
REPORT DATED: 03-12-98

FY 92-93		FY 93-94		FY 94-95		FY 95-96		FY 96-97		COMBINED TOTAL - ALL YEARS	
Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual

CAPITAL IMPROVEMENT PROJECTS (CIP)

PROJECT NO.	PROJECT DESCRIPTION													
854-835-0088	Ormond Beach Lot Consolid Grant	0	0.00	0	0.00	0	0.00					5,503	5,503.00	0
854-835-0138	Ormond Beach Site Plan / Envn Assess.	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	30,000	30,000.00	0
854-935-0151	Ormond Beach / Lng Property Acq.											1,729,000	1,729,000.00	0
854-972-0080	Redev Opportunity Acqisitions	(187,996)	0.00	(162,004)	0.00	0	0.00					0	0.00	0
854-972-0244	Commercial Rehab Loan Program							200,000	0.00	(200,000)	0.00	0	0.00	0
854-972-0272	Housing Assistance Set-Aside	(595,191)	0.00	215,725	0.00	(429,090)	0.00	0	0.00	0	0.00	0	0.00	0
854-972-0359	Traffic Signnal-Hueneme/J St	0	0.00	(22,366)	0.00	0	0.00					77,634	77,634.14	(0)
854-972-0360	Ormond Beach Resource Protect	(3,650)	0.00	(12,631)	11,480.00	0	0.00	0	0.00	0	0.00	533,719	11,480.00	522,239
854-972-0367	Redevl/Mobilehome Repl Progm	0	0.00	11,000	2,379.00	(58,621)	0.00	0	0.00	0	0.00	2,379	2,379.00	0
854-972-0411	Ormond Beach Project Improvmt	0	0.00	(200,000)	0.00	0	0.00					0	0.00	0
854-972-0416	Homeless Family Shelter Proj	0	0.00	0	0.00	(100,000)	0.00	0	0.00	0	0.00	0	0.00	0
854-972-0466	Home Prog/Renatl Production	24,435	0.00	109,604	134,039.00			0	0.00	0	0.00	134,039	134,039.00	0
854-972-0467	Home Prog/First-Time Buyers	115,500	0.00	(115,500)	0.00			0	0.00	0	0.00	0	0.00	0
854-972-0487	Set-Aside Property Acquisition	668,500	631,721.37	48,402	58,238.00	205	27,147.63			0	0.00	717,107	717,107.00	0
854-972-0556	Ormond Bch Alt Hsg Site Acquis					0	0.00					0	0.00	0
854-972-0579	RDS-Pressure Monitoring					25,000	0.00	0	0.00	0	0.00	25,000	0.00	25,000
854-972-0580	Ormond Bch-Hueneme Rd Widning					109,500	0.00	(109,500)	0.00	0	0.00	0	0.00	0
854-720-0693	Hueneme Acquisition							109,500	83,376.23	140,000	166,123.77	249,500	249,500.00	0
Total Project Expenditures		21,598	631,721.37	(127,770)	206,136.00	(453,006)	27,147.63	200,000	83,376.23	(60,000)	166,123.77	3,503,881	2,956,642.14	547,238.86
Excess (Deficiency) of Rev. Over Expend. After Capital Improvement Projects		(531,374)	(830,758.31)	(187,251)	(475,699.18)	602,716	(351,680.28)	(338,752)	(270,419.94)	(1,350,112)	(185,615.22)	(2,498,900)	424,236.25	*

AVAILABLE
APPROPRIATION
FOR AUTHORIZED
PROJECTS

FUND BALANCE - 6-30-87 ---> 604,937.00
REV. OVER(UNDER) EXPEND. 424,236.25 *
Adjustment to GAAP Basis 7,480.75
FUND BALANCE - 6-30-97 ---> 1,036,654.00 @

BREAKDOWN OF FUND BALANCE

RESERVED:

Encumbrances 20,671.00
Notes Receivable 97,067.00
TOTAL RESERVED 117,738.00

UNRESERVED:

Designated - Authorized Projects 547,239.00 #
Undesignated - Available for
Appropriation -> 371,677.00
TOTAL UNRESERVED 918,916.00

1,036,654.00 @

ORIGINAL
TO
AUDIT

TABLE 4
CITY OF OXNARD
ORMOND BEACH REDEV. PROJ. FUND (854)
RECONCILIATION BETWEEN BUDGETARY AND AUDIT REPORT
REVENUES

SCHEDULE - RW-REV-1

(on a budgetary basis)
FOR LAST TEN FISCAL YEARS ENDED JUNE 30, 1988 TO 1997

ID: OB-ACTUAL- BDGT-10YRS	FY 87-88	FY 88-89	FY 89-90	FY 90-91	FY 91-92	FY 92-93	FY 93-94	FY 94-95	FY 95-96	FY 96-97	COMBINED TOTAL ALL YEARS
REPORT DATED: 03-10-98	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Operating Programs											
Revenue											
7006 Supplemental Property Tax		65,339	142,844	(1,261)	8,793	1,896	52,844	18,479	59,392	(19,193)	329,133
7007 Tax Increment Revenues	362,080	396,123	672,460	687,823	1,043,218	1,235,110	1,351,417	1,182,189	1,186,725	1,168,604	9,285,749
7009 County Passthru						(400,722)	(459,029)	(395,453)	(416,717)	(383,055)	(2,054,976)
7011 ERAF						(250,996)	(199,194)	(199,242)	0	0	(649,432)
7012 Housing Setaside						(247,396)	(280,852)	(236,410)	(265,601)	(229,882)	(1,260,141)
High School Dist. Pass Thru								(135,559)	(270,166)	(31,200)	(436,925)
Deferred High School Dist. Pass Thru									(200,000)	(200,000)	(400,000)
7239 State Subventions	5,000										5,000
7801 Interest-Investments	61,316	97,067	164,607	244,351	269,874	239,727	185,174	36,008	124,628	102,656	1,525,408
7802 Interest-Other		85,483	123,524	78,105	35,999	14,209	39,844	0	0	0	377,164
7862 Other Reimbursements			324,322	8,031	25,000	38,817	30,371	27,812	68,248	0	522,601
7901 Sale of Personal Property	1,224,000	1,862,389									3,086,389
7951 Payments-Loans						97,067	0	0	0	0	97,067
Grants for CIP's											0
REVENUES - Budget Basis (see SCH.	1,652,396	2,506,401	1,427,757	1,017,049	1,382,884	727,712	720,575	297,824	286,509	407,930	10,427,037
RECONCILING ITEMS TO ADJUST TO AUDIT:											
Rounding to nearest dollar	1			(1)							0
Accrual of revenues		73,111	(68,193)		(3,256)		225,018				226,680
Reclassification to accounts payable			(324,322)								(324,322)
Reclassification to expenditures (addition)						899,114	939,075	730,255	886,883	614,255	4,069,582
Reclassification to expenditures (reduction)						(962,049)					(962,049)
Reflected as transfers out in the income statement									265,601	229,882	495,483
											0
TOTAL OF ALL RECONCILING ITEMS	1	73,111	(392,515)	(1)	(3,256)	(62,935)	1,164,093	730,255	1,152,484	844,137	3,505,374
REVENUES - Per Audit (see SCH.)	1,652,397	2,579,512	1,035,242	1,017,048	1,379,628	664,777	1,884,668	1,028,079	1,438,993	1,252,067	13,932,411

400,722	459,029	395,454	416,717	383,055
250,996	199,194	199,242	270,166	31,200
247,396	280,852	135,559	200,000	200,000
899,114	939,075	730,255	886,883	614,255

TABLE 4
CITY OF OXNARD
ORMOND BEACH REDEVELOPMENT PROJECT (FUND 854)
RECONCILIATION BETWEEN BUDGETARY AND AUDIT REPORT
EXPENDITURES

(on a budgetary basis)
FOR LAST TEN FISCAL YEARS ENDED JUNE 30, 1988 TO 1997

SCHEDULE - RW-EXP-1

		FY 87-88	FY 88-89	FY89-90	FY 90-91	FY 91-92	FY 92-93	FY 93-94	FY 94-95	FY 95-96	FY 96-97	COMBINED TOTAL COMBINED TOTAL ALL YEARS Actual
Operating Expenditures		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
8001	Direct Labor-Reg						0.00	7,861.57	0.00	0.00	0.00	7,861.57
8002	Direct Labor-Temporary						1,250.37	0.00	0.00	0.00	0.00	1,250.37
8040	Labor Overhead						178.17	2,041.06	0.00	0.00	0.00	2,219.23
8101	Postage						0.00	0.00	0.00	2.26	12.30	14.56
8102	Supplies-Office						1,018.87	0.00	0.00	0.00	0.00	1,018.87
8121	Library Reference Materials						0.00	0.00	0.00	0.00	0.00	0.00
8171	Minor Equipment-Office				668.65		0.00	0.00	0.00	0.00	839.87	1,508.52
8204	Services-Legal	0.00	13,115.75	368,306.82	113,901.80	51,594.85	47,030.95	31,706.55	3,206.40	1,224.75	6,406.50	636,494.37
8206	Services-Planng		4,212.00	856.31	8,497.00		0.00	0.00	0.00	0.00	0.00	13,565.31
8207	Services-Real Estate	2,500.00	1,840.40	3,365.00	4,400.00		1,500.00	0.00	0.00	0.00	2,709.50	16,314.90
8209	Services-Other	116,016.82		20,675.64	84,979.31	28,155.00	27,718.00	10,111.38	82,000.00	107,696.61	75,465.77	552,818.53
8240	Services Printing/Binding		0.00	32,317.07			0.00	0.00	0.00	0.00	0.00	32,317.07
8340	Contribution To Other						0.00	180,000.00	0.00	0.00	0.00	180,000.00
8352	Training/Workshops	2,924.05	3,809.55	582.03	5,502.24	355.26	0.00	0.00	36.49	0.00	25.00	13,234.62
8407	Loan Principal	260,966.00	224,020.73	4,338.37	4,681.00	260,966.00	5,449.93	12,225.50	6,345.00	6,846.29	7,388.00	793,226.82
8408	Loan Interest	105,578.25	40,789.00	41,303.36	57,965.00	93,217.00	80,800.80	72,262.84	75,955.00	42,845.17	28,080.00	638,796.42
8517	Data Processing Charges- WPC						0.00	0.00	0.00	663.00	402.96	1,065.96
8550	Services From Program	47,276.22	86,184.77	91,640.11	553,841.72	850,838.00	736,959.80	16,302.91	33,049.92	42,347.56	30,668.48	2,489,109.49
8553	Internal Service Charges						0.00	637,523.27	407,957.27	256,310.69	234,458.92	1,536,250.15
8567	Property Tax Administrative charges						24,841.97	20,103.10	12,807.10	15,616.38	40,963.62	114,332.17
8650	Machinery-Equipment New		13,759.60				0.00	0.00	1,000.00	0.00	0.00	14,759.60
Total Operating Expenditures (Budgetary Basis)		535,261.34	387,731.80	563,384.71	834,436.72	1,285,126.11	926,748.86	990,138.18	622,357.18	473,552.71	427,420.92	7,046,158.53
CAPITAL IMPROVEMENT PROJECTS												
Summary of Project Expenditures (Budgetary Basis)		1,449,110.00	308,000.00	1,333.80	9,059.20	74,634.14	631,721.37	206,136.00	27,147.63	83,376.23	166,123.77	2,956,642.14
Total Expenditures on a Budgetary Basis		1,984,371.34	695,731.80	564,718.51	843,495.92	1,359,760.25	1,558,470.23	1,196,274.18	649,504.81	556,928.94	593,544.69	10,002,800.67
RECONCILING ITEMS TO ADJUST TO AUDIT:												
Prior to FY 88 CIP expenditures		(99,110.00)										(99,110.00)
Current Encumbered amount			(13,573.04)		(20,671.35)				(9,203.44)			(43,447.83)
Current Expenditure, formerly Encumbered		22,686.00	55,596.20	13,573.04			13,513.14	12,952.92	916.83		12,036.78	131,274.91
Transfers-Out to other agency (per audit)			(264,810.00)		(62,645.00)	(7,971.00)	(7,971.00)	(180,000.00)	(642,537.00)	(509,909.00)	(229,882.00)	(1,905,725.00)
Reclassified/ Cancelled along w/ respective Revenue				(324,321.00)								(324,321.00)
Reclassified from Balance Sheet accounts				55,357.00	(63,588.00)	286,786.00		32,934.00		460,690.00		772,179.00
Reported / Reclassed to CDC - Debt Service				(45,641.00)		(346,212.00)				(6,846.29)	(35,468.00)	(434,167.29)
Reclassified as Asset (Property Held for Resale)							(631,721.37)	(134,039.00)				(765,760.37)
Pass-Thru / Set-Aside reclassified from Revenues								658,223.00	730,254.00	822,500.00	743,320.00	2,954,297.00
Transfer of projects / expenditures to Fund 855									759,110.00	687,837.00		1,446,947.00
Rounding differences		(0.34)	0.04	(0.55)	(1.57)	0.75	(1.00)	0.90	3.36	(0.21)	0.53	1.91
TOTAL OF RECONCILING ITEMS		(76,424.34)	(222,786.80)	(301,032.51)	(146,905.92)	(67,396.25)	(626,180.23)	390,071.82	847,747.19	1,445,068.06	490,007.31	1,732,168.33
TOTAL EXPENDITURES - Per Audit Report		1,907,947.00	472,945.00	263,686.00	696,590.00	1,292,364.00	932,290.00	1,586,346.00	1,497,252.00	2,001,997.00	1,083,552.00	1,1734,969.00

**AUDIT
TO
STATE**

OXNARD COMMUNITY DEVELOPMENT COMMISSION (A Component Unit of the City of Oxnard, California)

SCHEDULE - COMP V-1

ORMOND BEACH REDEVELOPMENT PROJECT FUND

COMPARATIVE SUMMARIES OF REVENUES BETWEEN ANNUAL AUDIT AND STATE CONTROLLERS REPORT

LAST TEN FISCAL YEARS (1987-88 through 1996-97) ENDED JUNE 30

REPORT DATED : 3/9/98

FILE ID: 10 YR-AUDITS-VS-SCR-REV

(Based on Auditor's Report)

	FY 1987-88	FY 1988-89	FY 1989-90	FY 1990-91	FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97
PER CITY'S ANNUAL AUDIT REPORT										
R E V E N U E S										
TAX INCREMENTS	\$362,080	\$461,462	\$815,304	\$686,561	\$1,052,011	\$274,958	\$1,404,261	\$964,258	\$1,246,116	\$1,149,411
STATE SUBVENTIONS	5,000									
INTEREST	61,317	182,550	219,938	310,456	302,617	253,935	225,018	36,009	124,629	102,656
OTHER	1,224,000	1,935,500		25,000	25,000	135,884	255,389	27,812	68,248	
TOTAL REVENUES PER AUDIT	1,652,397	2,579,512	1,035,242	1,022,017	1,379,628	664,777	1,884,668	1,028,079	1,438,993	1,252,067

**PER STATE CONTROLLER'S
ANNUAL REPORT**

R E V E N U E S

TAX INCREMENTS		\$461,462	\$815,304	\$686,561	\$1,052,011	\$274,958	\$1,629,279	\$964,258	\$1,246,116	\$1,149,411
STATE SUBVENTIONS			0	0	0		0	0	0	0
INTEREST		182,550	219,938	310,456	302,617	253,935		36,009	124,629	102,656
OTHER		1,935,500		20,031	25,000	135,884	255,389	27,812	68,248	0
TOTAL REVENUES PER S.C.R.	0	2,579,512	1,035,242	1,017,048	1,379,628	664,777	1,884,668	1,028,079	1,438,993	1,252,067

**DIFFERENCE BETWEEN
CITY'S ANNUAL AUDIT
& STATE CONT. REPORT**

1,652,397	0	0	4,969	0	0	0	0	0	0	0
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Auditors:	Deloitte Haskins & Sells	Deloitte Haskins & Sells	Deloitte & Touche	Deloitte & Touche	Deloitte & Touche	Deloitte & Touche	KPMG Peat Marwick	KPMG Peat Marwick	KPMG Peat Marwick	KPMG Peat Marwick
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**AUDIT
TO
STATE**
ORMOND BEACH REDEVELOPMENT PROJECT FUND
SCHEDULE - COMP-P-1
COMPARATIVE SUMMARIES OF EXPENDITURES BETWEEN ANNUAL AUDIT AND STATE CONTROLLERS REPORT
LAST TEN FISCAL YEARS (1987-88 through 1996-97) ENDED JUNE 30
(Based on Auditor's Report)

REPORT DATED : 3/9/98

FILE ID: 10 YR-AUDITS-VS-SCR

	FY 1987-88	FY 1988-89	FY 1989-90	FY 1990-91	FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97
PER CITY'S ANNUAL AUDIT REPORT										
EXPENDITURES										
ADMINISTRATIVE COSTS	\$50,200	\$89,995	\$91,265	\$568,309	\$1,149,761	\$842,528	\$1,449,670	\$1,305,436	\$914,684	\$820,809
PROFESSIONAL SERVICES	146,203	90,551	158,848	128,281	142,603	89,762	134,729	174,007	99,718	96,619
CAP. OUTLAY-PROJ IMPROVEMENT	1,345,000	292,399	13,573				1,947	17,809	987,595	166,124
DEBT SERVICE: PRINCIPAL	260,966									
INTEREST	105,578									
TOTAL EXPEND.PER AUDIT	1,907,947	472,945	263,686	696,590	1,292,364	932,290	1,586,346	1,497,252	2,001,997	1,083,552
OPERATING TRANSFERS OUT	0	264,810	0	62,645	7,971	7,971	180,000	642,537	509,909	229,882
GRAND TOTAL	1,907,947	737,755	263,686	759,235	1,300,335	940,261	1,766,346	2,139,789	2,511,906	1,313,434
PER STATE CONTROLLER'S ANNUAL REPORT										
EXPENDITURES										
ADMINISTRATIVE COSTS		\$89,995	\$91,265	\$568,309	\$1,149,761	\$210,807	\$1,449,670	\$1,305,436	\$914,684	\$820,809
PROFESSIONAL SERVICES		90,552	158,848	128,281	142,603	89,762	134,729	174,007	99,718	96,619
CAP. OUTLAY-PROJ IMPROVEMENT		292,399	13,573			631,721	1,947	17,809	987,595	166,124
DEBT SERVICE: PRINCIPAL		4,021				2,521				
INTEREST		40,789				5,450				
TOTAL EXPEND.PER SCR	0	517,756	263,686	696,590	1,292,364	940,261	1,586,346	1,497,252	2,001,997	1,083,552
OPERATING TRANSFERS OUT	0	220,000	0	62,645	7,971	0	180,000	642,537	509,909	229,882
GRAND TOTAL	0	737,756	263,686	759,235	1,300,335	940,261	1,766,346	2,139,789	2,511,906	1,313,434
DIFFERENCE BETWEEN CITY'S ANNUAL AUDIT & STATE CONT. REPORT	1,907,947	(1)	0	0	0	0	0	0	0	0

Auditors:	Deloitte Haskins & Sells	Deloitte Haskins & Sells	Deloitte & Touche	Deloitte & Touche	Deloitte & Touche	Deloitte & Touche	KPMG Peat Marwick	KPMG Peat Marwick	KPMG Peat Marwick	KPMG Peat Marwick
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AUDIT
TO
STATE

OXNARD COMMUNITY DEVELOPMENT COMMISSION (A Component Unit of the City of Oxnard, California)

SCHEDULE - COMP-F/B

ORMOND BEACH REDEVELOPMENT PROJECT FUND

COMPARATIVE SUMMARIES OF FUND BALANCE BETWEEN ANNUAL AUDIT AND STATE CONTROLLER'S REPORT

REPORT DATED : 3/9/98

LAST TEN FISCAL YEARS (1987-88 through 1996-97) ENDED JUNE 30

FILE ID: 10 YR-AUDITS-VS-SCR-F/B

(Based on Auditor's Report)

	FY 1987-88	FY 1988-89	FY 1989-90	FY 1990-91	FY 1991-92	FY 1992-93	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97
PER CITY'S ANNUAL AUDIT REPORT										
FUND BALANCE										
FUND BALANCE - BEGINNING	\$604,937	\$349,387	\$2,191,144	\$2,962,700	\$3,220,513	\$3,299,806	\$3,024,322	\$3,142,644	\$2,030,934	\$958,021
NET EXCESS (DEF.) OF REV. OVER EXPEND.:	(255,550)	1,841,757	771,556	257,813	79,293	(275,484)	118,322	(1,111,710)	(1,072,913)	78,633
FUND BALANCE - END PER AUDIT	349,387	2,191,144	2,962,700	3,220,513	3,299,806	3,024,322	3,142,644	2,030,934	958,021	1,036,654
PER STATE CONTROLLER'S ANNUAL REPORT										
FUND BALANCE										
FUND BALANCE - BEGINNING	\$604,937	\$348,971	\$2,191,144	\$2,962,700	\$3,220,513	\$3,299,806	\$3,024,322	\$2,332,263	\$1,188,553	\$958,021
NET EXCESS (DEF.) OF REV. OVER EXPEND.:	(255,550)	1,841,756	771,556	257,813	79,292	(275,484)	150,322	(1,111,710)	(1,072,913)	78,633
ADJUSTMENT TO PRIOR YEAR BALANCE		416						(32,000)	842,381	
FUND BALANCE - END PER SCR	349,387	2,191,143	2,962,700	3,220,513	3,299,805	3,024,322	3,174,644	1,188,553	958,021	1,036,654
DIFFERENCE BETWEEN CITY'S ANNUAL AUDIT & STATE CONT. REPORT										
	0	1	0	0	1	0	(32,000)	842,381	0	0

Auditors:	Deloitte Haskins & Sells	Deloitte Haskins & Sells	Deloitte & Touche	Deloitte & Touche	Deloitte & Touche	Deloitte & Touche	KPMG Peat Marwick	KPMG Peat Marwick	KPMG Peat Marwick	KPMG Peat Marwick
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