



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: General Services
Department No.: 063
For Agenda Of: August 21, 2012
Placement: Administrative
Estimated Tme: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors of the County of Santa Barbara as the Successor Agency to the Former County of Santa Barbara Redevelopment Agency

FROM: General Services Bob Nisbet, Director (805) 560-1011
Contact Info: Paddy Langlands, Assistant Director (805) 568-3096

SUBJECT: **Lease Agreement with Paradise Ivy, LLC for 15 Residential Parking Spaces at 881 Embarcadero Del Mar, Isla Vista; Third District**

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors of the County of Santa Barbara as the Successor Agency to the former County of Santa Barbara Redevelopment Agency:

- a) Approve and authorize the County Executive Officer to execute a Lease Agreement, in substantial conformity with the attached draft lease agreement between the Successor Agency to the former Redevelopment Agency and Paradise Ivy, LLC, allowing residents of the Paradise Ivy Project exclusive use of (15) parking spaces within the parking lot currently owned by the Successor Agency to the former County of Santa Barbara Redevelopment Agency and located at 881 Embarcadero Del Mar, in Isla Vista (Third District); and
- b) Determine that the proposed action is exempt from review under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15301; approve and direct staff to file the attached Notice of Exemption on that basis.

Summary Text:

This Lease Agreement establishes an annual rate and sets the terms and conditions for a fifty-year lease of fifteen parking spaces in the Agency-owned parking lot at 881 Embarcadero Del Mar, in Isla Vista, by Paradise Ivy, LLC (“Developer”), to be used by residential tenants, and satisfies a condition of approval for the mixed-use project located at 901 Embarcadero Del Mar. The terms and conditions are

based on and required by the Agency Parking Lot Agreement between the Developer and the former Redevelopment Agency, recorded July 17, 2009, as Instrument Number 2009-0043264.

Background:

The Paradise Ivy project, located at 901 Embarcadero del Mar, was approved by the County Planning Commission on February 6, 2008. The project is identified as a catalyst redevelopment project in the Isla Vista Master Plan adopted by the Board of Supervisors in August of 2007. On May 14, 2009, the County's Redevelopment Agency executed an owner participation agreement with the Developer to establish a public/private partnership to redevelop a key corner of downtown Isla Vista with a new mixed use project, including both residential and commercial uses. The conditions for approval of the project required the Developer to lease fifteen (15) parking spaces for residents of the mixed-use development, in a parking lot acquired by the Redevelopment Agency.

The owner participation agreement provided a Fifty-five (55) year loan of \$717,000 from the former Agency to the Developer to assist in the construction of six (6) affordable housing units to be made available to low income households. The principal, and all accrued interest on the loan will be automatically forgiven at the end of the fifty five (55) year term, so long as the project is operated in conformity with the prescribed affordability restrictions. As part of the project's Conditions of Approval, Paradise Ivy, LLC, is required to enter into, and record agreements with the Redevelopment Agency (now the Successor Agency to the former County of Santa Barbara Redevelopment Agency) for the lease of the (15) residential parking spaces prior to receiving occupancy clearance for the newly constructed project.

This Lease Agreement establishes the rate paid by the developer for the (15) exclusive parking spaces, and related terms and conditions, with a term of 50 years. Once executed, the Lease Agreement will be submitted to the California Department of Finance for approval.

The parking lot property is currently owned and operated by the Successor Agency to the former County of Santa Barbara Redevelopment Agency. As part of the Agency's dissolution, the property will either be transferred to the County as a governmental asset or sold with the proceeds being distributed to various taxing entities. The eventual transfer or sale of the property is required to be approved by the Board of Supervisors, acting as the Successor Agency to the former County of Santa Barbara Redevelopment Agency and the Oversight Board of the Successor Agency.

The recommended action of approving and executing the Lease Agreement is categorically exempt from CEQA pursuant to Section 15301 of the California Code of Regulations. In accordance with Section 15301, these actions provide for the operation, repair, maintenance, and leasing of existing public facilities, involving negligible or no expansion of use beyond that which currently exists. These actions pose no reasonable possibility of a significant effect on the environment, no significant cumulative impacts from projects of the same type will result, and there will be no impacts on any uniquely sensitive habitat.

Fiscal and Facilities Impacts:

Budgeted: N/A

Fiscal Analysis:

This Lease Agreement will provide approximately \$9,630 for the first year of the term, subject to annual adjustments determined by adjustments in the cost of similar annual parking passes issued by the University of California at Santa Barbara. These revenues will be used to operate and maintain the parking lot.

Special Instructions:

Please acknowledge the County Executive Officer's signature of the Lease Agreement (Acknowledgement form attached), and distribute as follows:

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|--|---------------------------------------|
| 1. Original Lease Agreement | Clerk of the Board Files |
| 2. Duplicate Original Lease Agreement & Minute Order | Real Estate Services, Ronn Carlentine |

NOTE: The Clerk shall post the NOE upon Board approval.

Attachments:

Attachment A: Lease Agreement
Attachment B: CEQA Notice of Exemption

Authored by:

RC, Office of Real Estate Services