



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: CEO  
Department No.: 990  
For Agenda Of: April 1, 2008  
Placement: Admin  
Estimated Tme: 5 minutes on 4/15  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors  
Redevelopment Agency Board of Directors

**FROM:** Department Michael F Brown, County Executive Officer  
Director  
Contact Info: Terri Maus-Nisich, Assistant County Executive Officer (x 3412)  
Ronn Carlentine, Real Property Manager (x 3078)  
Jamie Goldstein, Deputy Director Redevelopment Agency (x 8050)

**SUBJECT: Set Hearing for Real Property Acquisition of 970 Embarcadero Del Mar, Isla Vista**

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors set a hearing on April 15 to:

- a) Find that the project was evaluated in the Isla Vista Master Plan EIR, and pursuant to CEQA Guidelines Sections 15180 and 15162, therefore no additional environmental review is required; and
- b) Adopt the County Resolution making findings required by Health & Safety Code §33445 to use Redevelopment Agency funds to purchase the Property; and
- c) Conduct a hearing as required by Health & Safety Code §33679; and
- d) Adopt the County Resolution accepting the summary of costs and findings of the California Health and Safety Code Section 33433 Report for the lease of approximately 6,900 square feet to SBNC; and
- e) Authorize the County to enter into a First Amendment to the CDBG Agreement regarding use of the Property.

That the Board of Directors set a hearing on April 15 to:

- f) Adopt the Agency Resolution making findings required by Health & Safety Code §33445 for the acquisition of the Property; and
- g) Adopt the Resolution of Intent to Purchase property at 970 Embarcadero Del Mar, in Isla Vista (Property), owned by Santa Barbara Neighborhood Clinics (SBNC); and

- h) Execute the Real Property Sale Contract and Escrow Instructions between the County of Santa Barbara Redevelopment Agency (Agency) and SBNC to acquire the Property in the amount of \$2,600,000, and authorize the Executive Officer, or designee, to initial various provisions therein on behalf of the County; and
- i) Authorize the Executive Director to execute a 10-year Lease Agreement, with the County as Lessee, and SBNC as Lessor upon the successful close of escrow; and
- j) Approve the Agency Budget Revision allocating \$250,000 as a refundable deposit, from loan proceeds Agency Reserves to Account 8200.

**Summary Text:**

This item is on the agenda to consider the acquisition of property at 970 Embarcadero Del Mar in Isla Vista from Santa Barbara Neighborhood Clinics (SBNC), a willing seller, for the market rate price of \$2,600,000 with a 10-year lease-back agreement.

The recently adopted Isla Vista Master Plan includes policies directing the Agency to establish partnerships with property owners and businesses within the Embarcadero Loop to help them relocate to sites outside the loop in the long term. This project is such a partnership

**Background:**

The property, 970 Embarcadero Del Mar (APN: 075-163-017), is located within the Embarcadero Loop in downtown Isla Vista. The site is surrounded on three sides by public park land. After the lease-back period, the site may potentially be used for parking to facilitate redevelopment projects and/or the expansion of open space.

In an appraisal dated June 7, 2007, the Hammock, Arnold, Smith and Company determined fair market value for the property to be \$2,600,000. Using that value, Agency staff worked with Santa Barbara Neighborhood Clinics (SBNC) to negotiate the purchase of the site with a lease-back agreement. The purpose of the lease is to maintain the continuity of SBNC's service in Isla Vista while Agency staff and SBNC work together to locate a new site for the Clinic. In addition, the lease payments will help to offset the fiscal impacts of the acquisition.

**Fiscal Analysis:**

The acquisition will be funded entirely by the Redevelopment Agency and will have no impact on the General Fund. The Agency's adopted FY 07/08 Budget describes a proposed debt issuance to fund this and other Redevelopment initiatives. That debt issuance has been recommended for approval by the County's Debt Advisory Committee and the Board of Supervisors on February 5, 2008. It is expected those debt proceeds will be available in May 2008, which will be used to finance this acquisition.

The terms of the Real Property Sale Contract include a provision making the close of escrow contingent on the availability of funds. With a 90 day escrow period, the Agency will have ample time to issue debt prior to the scheduled end of escrow.

**Special Instructions:**

Publish hearing notice in a newspaper of general circulation for two successive weeks prior to hearing on April 15.

**Authored by:**

Carlentine/Goldstein

**CC:**

Mary McMaster, County Counsel  
Kevin Ready, County Counsel  
Mark Paul, Auditor Controller