



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:** County Executive  
Office  
**Department No.:** 012  
**For Agenda Of:** June 3, 2014  
**Placement:** Administrative  
**Estimated Tme:**  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** 4/5

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**TO:** Board of Supervisors Acting as Successor Agency to the Former Santa Barbara County  
Redevelopment Agency and Board of Supervisors  
**FROM:** County Executive Office Renee Bahl, Assistant CEO (805) 568-3400  
Contact Info: Don Grady, General Services Real Property Manager  
(805) 568-3065  
**SUBJECT:** Transfer of Assets from the Successor Agency to the County of Santa Barbara, Isla  
Vista, Third District

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**County Counsel Concurrence**

As to form Yes

**Auditor-Controller Concurrence**

As to form Yes

**Other Concurrences**

General Services  
Planning and Development  
As to form Yes

**Recommended Actions:**

That the Board of Supervisors, acting as Successor Agency to the Former Santa Barbara County Redevelopment Agency (Successor Agency):

- a) Approve and authorize the Chair to execute the attached Quitclaim Deed transferring all title and interest in the property located at 881 Embarcadero Del Mar, in Isla Vista, (APN 075-111-015), from the Successor Agency to the County of Santa Barbara, to be recorded and become effective June 30, 2014 (Third District);
- b) Approve and authorize the Chair to execute the attached Quitclaim Deed transferring all title and interest in the property located at 976 Embarcadero Del Mar, in Isla Vista, (APN 075-163-014), in Isla Vista, from the Successor Agency to the County of Santa Barbara, to be recorded and become effective June 30, 2014 (Third District);
- c) Approve and authorize the Chair to execute the attached Quitclaim Deed transferring all title and interest in the property located at 970 Embarcadero Del Mar (APN 075-163-017), in Isla Vista, from the Successor Agency to the County of Santa Barbara, to be recorded and become effective June 30, 2014 (Third District);

- d) Receive and file the attached report by the Planning Commission setting forth its determination that disposition by the Successor Agency of the subject properties described above is consistent with the Isla Vista Master Plan, the applicable part of the Comprehensive Plan of the County of Santa Barbara, in accordance with California Government Code Section 65402;
- e) Approve and authorize the Chair to execute the Cooperation Agreement for Expenditure of 2008 Bond Proceeds Between the County and the Successor Agency;
- f) Approve Budget Journal Entry #0003381 to appropriate for the transfer of assets and bond proceeds from the RDA Successor Agency to the County of Santa Barbara; and
- g) Determine that the proposed actions above are exempt from the California Environmental Quality Act (CEQA), pursuant to 14 CCR 15378, because they are not a "Project" as defined therein, and approve and direct staff to file and post the attached Notice of Exemption on that basis.

and

That the Board of Supervisors:

- h) Approve and authorize the Chair to execute the attached Certificate of Acceptance, accepting all title and interest in the property located at 881 Embarcadero Del Mar, in Isla Vista, (APN 075-111-015),
- i) Approve and authorize the Chair to execute the attached Certificate of Acceptance, accepting all title and interest in the property located at 976 Embarcadero Del Mar, in Isla Vista, (APN 075-163-014), in Isla Vista;
- j) Approve and authorize the Chair to execute the attached Certificate of Acceptance, accepting all title and interest in the property located at 970 Embarcadero Del Mar (APN 075-163-017), in Isla Vista;
- k) Receive and file the attached report by the Planning Commission setting forth its determination that acquisition by the County of the subject properties described above is consistent with the Isla Vista Master Plan, the applicable part of the Comprehensive Plan of the County of Santa Barbara, in accordance with California Government Code Section 65402;
- l) Approve and authorize the Chair to execute the Cooperation Agreement for Expenditure of 2008 Bond Proceeds Between the County and the Successor Agency;
- m) Approve Budget Revision # 0003368 to appropriate for the transfer of assets and bond proceeds from the RDA Successor Agency to the County of Santa Barbara; and
- n) Determine that the proposed actions above are exempt from the California Environmental Quality Act (CEQA), pursuant to 14 CCR 15378, because they are not a "Project" as defined therein, and approve and direct staff to file and post the attached Notice of Exemption on that basis.

**Summary Text:**

The actions recommended herein represent the final significant steps in winding down the former County Redevelopment Agency ("RDA") in Isla Vista. These actions would transfer the remaining real property assets held by the Successor Agency to the County of Santa Barbara. In addition, the

Cooperation Agreement provides that unspent bond proceeds from the 2008 Certificates of Participation that were issued for use by the former RDA shall be accounted for in the County's general fund in a separate restricted account for authorized expenditures permitted by the bond documents, and the County shall spend the unspent bond proceeds on behalf of the Successor Agency.

**Background:**

**Interests in Real Property**

In 2008, the former Redevelopment Agency acquired three real properties: 970 Embarcadero Del Mar "Medical Clinic Property", 976 Embarcadero Del Mar "Church Property" and 881 Embarcadero Del Mar "Parking Lot Property". When the former RDA was dissolved pursuant to ABX1 26, these properties became assets of the Successor Agency. Health & Safety Code §34191.5(b) requires the Successor Agency to approve a Long-Range Property Management Plan ("LRPMP") that directs the disposition of the real properties of the Successor Agency. Your Board, acting as the Successor Agency, approved the LRPMP for these properties on September 17, 2013 (Parking Lot) and October 15, 2013 (Medical Clinic and Church). The LRPMP directs the Successor Agency to transfer the three real properties identified therein at no cost to the County of Santa Barbara. The Oversight Board of the Successor Agency approved the same LRPMP for all three properties on October 24, 2013. The LRPMP was subsequently approved by the California State Department of Finance on February 21, 2014.

On May 8, 2014, the Oversight Board of the Successor Agency adopted a resolution directing the Successor Agency to transfer ownership of the three real properties to the County pursuant to the LRPMP. On May 16, 2014, the State Department of Finance approved the Oversight Board's resolution directing the transfer. In order to finalize the transfer of these properties to the County, your Board, acting as the Successor Agency and the Board of Supervisors of the County of Santa Barbara must take the actions recommended herein. If these actions are taken, the three properties would be legally transferred to the County effective June 30, 2014.

**Unspent Bond Proceeds**

On June 26, 2008, Certificates of Participation in the amount of \$17,000,000 were issued for use by the former County of Santa Barbara Redevelopment Agency (the "2008 Bonds") for improvements in the Isla Vista Redevelopment Project Area. These bond proceeds were used to pay the costs of projects in the Redevelopment Project Area including the purchase of real properties located at 970 and 976 Embarcadero Del Mar, the construction of streetscape improvements on Pardall Road and El Embarcadero, and the construction of a stormwater drainage system encompassing the downtown area of Isla Vista, amongst other projects. As of April 30, 2014, the Successor Agency had \$235,983 in unspent proceeds from the 2008 Bonds. As permitted by Health & Safety Code §34191.4(c), the Successor Agency may spend the unspent bond proceeds for the purposes under which the bonds were originally issued upon the issuance of a "Finding of Completion" to the Agency by the State Department of Finance. The Successor Agency received its Finding of Completion on April 26, 2013. A "Cooperation Agreement for Expenditure of Bond Proceeds" included herein as an attachment specifies that the unspent bond proceeds shall be accounted for in the County's general fund in a separate restricted account for authorized expenditures permitted by the bond documents, and that the County shall spend the unspent bond proceeds on behalf of the Successor Agency.

On May 8, 2014, the Oversight Board of the Successor Agency adopted a resolution authorizing and directing the Successor Agency to transfer the unspent bond proceeds to the County and for the County to take charge of the use of the unspent bond proceeds pursuant to the Cooperation Agreement for Expenditure of Bond Proceeds. On May 19, 2014, the State Department of Finance requested a review

of this Oversight Board action pursuant to Health & Safety Code Section 34179(h). The Department of Finance's request states that Finance is statutorily obligated to operate within a 40-day review period.

**CEQA**

Execution of the Quitclaim Deeds and associated Certificates of Acceptance, and execution of the Cooperation Agreement for Expenditure of 2008 Bond Proceeds are government fiscal activities that do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. Transfer of the three publicly-owned properties from the Successor Agency to the Former Santa Barbara County Redevelopment Agency, a public agency, to the County of Santa Barbara, also a public agency, will involve no change in the use of the properties. Therefore, these actions are exempt from environmental review in accordance with the California Environmental Quality Act (CEQA) Guidelines, Section 15378, which defines a "Project" for purposes of CEQA, and specifically excludes such government fiscal activities. The transfer of public property from one agency to another, with no change in the use of the property, is not considered a project. *Simons v. City of Los Angeles*, 63 Cal. App. 3d 455 (1976).

**Fiscal and Facilities Impacts:**

Execution of the Quitclaim Deeds and associated Certificates of Acceptance will transfer responsibility for the maintenance and repair of the three Isla Vista properties from the Successor Agency to the County's General Services Department. Rent and other proceeds from the properties will be used to offset the cost of those responsibilities. Those costs will be paid by Fund 0001, Dept 063, Program 1207.

**Special Instructions:**

After Board action, please distribute as follows:

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| 1. Copies of (3) Quitclaim Deeds with Certificates of Acceptance:   | Clerk of the Board Files  |
| 2. Original and Duplicate Original Planning Commission 65402 Report:  | Clerk of the Board Files  |
| 3. Original and Duplicate Original Cooperation Agreement:   | Clerk of the Board Files  |
| 4. Copy of Budget Revision Request:   | Clerk of the Board Files  |
| 5. (2) Notices of Exemption:  | Clerk of the Board Files  |
| 6. (3) Original Quitclaim Deeds with Certificates of Acceptance:  | General Services/Real Property*   |
| 7. (2) Copies of Cooperation Agreement:   | General Services/Real Property  |
| 8. Copies of (3) Quitclaim Deeds with Certificates of Acceptance, Copy of Cooperation Agreement, Budget Revision Request, and copy of Minute Order: | Auditor-Controller<br>Financial Reporting Division,<br>Attn: Betsy Schaffer |

\* General Services/Real Property will record the 3 Quitclaim Deeds with attached Certificates of Acceptance on June 30, 2014, and will return the original recorded documents to the Clerk of the Board upon receipt.

**Attachments:**

1. Original Quitclaim Deeds (3), with Original Certificates of Acceptance (3)
2. Government Code 65402 Planning Commission Report (Original and Duplicate Original)
3. Cooperation Agreement for Expenditure of Bond Proceeds (Original and Duplicate Original)
4. Budget Revision Request
5. (2) Notices of Exemption (1 by County, 1 by Successor Agency)