



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.: 990
For Agenda Of: Jan. 22, 2008
Feb. 5, 2008
Placement: Administrative: 1/22
Departmental: 2/5
Estimated Tme: 15 minutes on 2/5
Continued Item: No
If Yes, date from:
Vote Required: NA

TO: Board of Directors, Redevelopment Agency

FROM: Department Michael Brown, Executive Director, Redevelopment Agency
Director(s)
Contact Info: Terri Maus-Nisich, Assistant County Executive Officer
Jamie Goldstein, Deputy Director, Redevelopment Agency (x 8050)

SUBJECT: Proposed Redevelopment Agency Improvement Project Financing in Isla Vista

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

Acting as the Redevelopment Agency Board of Directors:

Set a hearing for February 5, 2008 to consider recommendations regarding the proposed Redevelopment Agency improvement projects in Isla Vista as follows:

- a) Receive a report regarding proposed Redevelopment Agency improvement projects; and
- b) Direct staff to prepare an \$18 million debt financing package to provide funding for the Redevelopment Agency improvement projects described in the attached report and return to the Board for future consideration.

Summary Text:

This item is on the agenda to obtain Redevelopment Agency Board direction regarding financing several proposed Redevelopment Agency improvement and land acquisition projects. In August 2007 your Board approved the Isla Vista Master Plan (IVMP). Since that time the IVMP has been submitted to the Coastal Commission for their review. Commission review of the IVMP has commenced, however a hearing date has not yet been scheduled.

As directed in the adopted IVMP, Redevelopment Agency staff has since focused on implementing infrastructure improvement projects in Isla Vista. Those projects include:

- The Parkview Affordable Housing Project: a project to acquire and rehabilitate 20 formerly market rate units in Isla Vista,

- Downtown redevelopment projects: public-private partnerships to redevelop existing under-developed sites in downtown Isla Vista with high quality mixed-use projects,
- Road improvement projects: projects to improve overall safety, install additional pedestrian and cyclist facilities, and add lane capacity, and
- The development of façade improvement projects: public-private partnerships to improve storefronts in downtown Isla Vista.

In addition, staff has advanced a number of improvement and acquisition projects necessary to realize the IVMP. As described in the Agency's most recent adopted Five Year Implementation Plan, the Agency has projected a debt issuance in order to finance several projects, including: the Pardall Road Enhancement Project, parking lot site acquisition and improvements, and other acquisitions and improvements.

As the proposed acquisition projects are still in negotiations, specifics regarding them are not yet available. Details will be released when negotiations are concluded. The attached financing plan (Attachment 1) provides additional background regarding the proposed improvement projects.

In December of 2007, Agency staff brought the attached proposed financing plan to the County's Debt Advisory Committee. At that hearing the DAC recommended the issuance of \$18 million to finance these projects, issued in conjunction with a projected general County debt issuance. By pairing the Agency and County debt issuances, costs to both entities will be reduced.

Fiscal Analysis:

The proposed \$18 million debt issuance would be funded entirely with Redevelopment tax increment revenue. The use of redevelopment tax increment is restricted, and may only be used to finance Isla Vista redevelopment. Tax increment revenue may not be used to fund general operations and maintenance costs. Redevelopment agencies are required to obtain debt in order to collect revenue; this debt issuance will ensure future funding is available for Isla Vista projects.

Staffing Impacts:

Legal Positions:

FTEs:

Special Instructions:

None

Attachments:

1. Proposed financing plan

Authored by:

Jamie Goldstein

cc:

Bob Geis, Auditor Controller

Mark Paul, Auditor Controller

Mary McMaster, County Counsel

Anne Rierson, County Counsel

Stacey Matson, Treasurer Tax Collector

ATTACHMENT A

REDEVELOPMENT AGENCY BOND PROJECTS

December 2007



Overview



To begin implementing the Isla Vista Master Plan, the Redevelopment Agency is proposing the issuance of \$18 million in debt to finance infrastructure and land acquisition projects. In August 2008, the Santa Barbara County Board of Supervisors adopted the Isla Vista Master Plan. The Plan established a framework for both the County and Redevelopment Agency to improve Isla Vista. The Plan identifies three general project types:

- Infrastructure – physical improvements to enhance the community
- Public/Private Partnerships – partnerships with local property owners and regional developers to construct housing and commercial projects in Isla Vista.
- Policy and Regulation Revisions – revisions to County regulations and policies to incentivize private sector reinvestment in the community.

This booklet provides a summary of the infrastructure and public private partnership projects proposed for debt financing.

Proposed Bond Expenditures



PROJECT EXPENDITURES			
Project	Project Description	Cost Estimate	Est. Completion
Pardall Road Improvements / Sidewalk Construction	Improve Pardall Road streetscape with widened sidewalks and landscaping	\$ 3,500,000	12/31/08
Parking Lot Acquisition	Acquire and develop site for a downtown surface parking lot	1,400,000	06/30/08
Parking Lot Improvements		450,000	09/30/08
Site 1 Acquisition	Acquire sites for downtown parking, park expansion, and for future land swaps.	2,600,000	03/31/08
Site 1 Improvements		50,000	06/30/08
Site 2 Acquisition		1,875,000	03/31/08
Site 2 Parking Lot Improvements		500,000	06/30/08
Land write down	Public/private partnerships for the redevelopment of key downtown parcels	1,500,000	12/31/08
Other acquisitions	Additional acquisitions, sidewalk construction, land write downs, and easements	1,500,000	03/31/09
Contingency		665,000	04/01/09
	Project Expenditures Subtotal	\$ 14,040,000	
FINANCIAL EXPENDITURES			
Capitalized Interest		\$ 1,800,000	
Issuance costs		\$ 360,000	
Reserve funding		\$ 1,800,000	
	Financial Expenditures Subtotal	\$ 3,960,000	
TOTAL EXPENDITURES		\$ 18,000,000	

Pardall Road Improvement Project



Project Goal: Implement improvements to Pardall Road in downtown Isla Vista that stimulate private sector reinvestment in the community.

This project is one of the critical first-phase public space improvements necessary to stimulate change in the community. The project includes widening sidewalks, adding landscaping, and improving intersections to enhance the public space in downtown Isla Vista.



PARDALL ROAD SECTIONS

Pardall Road Preliminary Streetscape Design Plan

Project Status:

- Community workshops held
- Conceptual plan developed
- Permit application complete - approval pending
- Contract for working drawings authorized

Project Task	Estimated Cost	Estimated Completion Date
Working Drawings	\$450,000	May 2008
Construction	\$3,050,000	December 2008
Total Project	\$3,500,000	December 2008



Downtown Parking Lot

Project Goal: Develop a public parking lot in downtown Isla Vista that facilitates private development by providing off-site parking.

A key restriction to redevelopment in downtown Isla Vista is the on-site parking requirements. Because of this, one mechanism to stimulate downtown revitalization is to provide a centralized public parking lot. A parcel has been identified as an appropriate location and the design for a surface parking lot at the site has been developed.



Project Status:

- Site appraisal complete
- Offer letter sent
- Concept Plan prepared
- Contract for working drawings established

Project Task	Estimated Cost	Estimated Completion Date
Site Acquisition	\$1,400,000	Summer 2008
Working Drawings	\$50,000	Fall 2008
Parking Lot Construction	\$400,000	Fall 2008
Total Project	\$1,850,000	Fall 2008

Land Acquisition: Downtown Properties



Project Goal: Facilitate mixed-use projects in the downtown through the acquisition of key parcels from willing sellers.



The Redevelopment Agency is charged with facilitating new mixed use development projects on infill sites in downtown Isla Vista. One mechanism to accomplish this is through the acquisition of parcels. Through those key acquisitions, the Agency can establish the public-private partnerships necessary to actively begin the redevelopment process.

Project Task	Estimated Cost
Land Write down	\$1,500,000
Other Acquisitions	\$1,500,000

Government Agency Proforma for Fiscal Year 2007-2008

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
08																
\$1,691	\$1,713	\$1,380	\$1,262	\$1,357	\$1,300	\$1,090	\$929	\$719	\$565	\$471	\$644	\$888	\$911	\$922	\$925	\$928
5,273 \$	5,421 \$	5,576 \$	6,153 \$	6,318 \$	6,487 \$	6,659 \$	6,834 \$	7,013 \$	7,196 \$	7,382 \$	7,572 \$	7,766 \$	7,964 \$	8,165 \$	8,371 \$	8,581 \$
(1,055)	(1,084)	(1,115)	(1,231)	(1,264)	(1,297)	(1,332)	(1,367)	(1,403)	(1,439)	(1,476)	(1,514)	(1,553)	(1,593)	(1,633)	(1,674)	(1,716)
(1,670)	(1,717)	(1,766)	(1,949)	(2,001)	(2,054)	(2,109)	(2,164)	(2,221)	(2,279)	(2,338)	(2,398)	(2,459)	(2,522)	(2,586)	(2,651)	(2,717)
(728)	(748)	(769)	(848)	(871)	(894)	(918)	(942)	(967)	(992)	(1,018)	(1,044)	(1,071)	(1,098)	(1,126)	(1,154)	(1,183)
68	69	55	50	54	52	44	37	29	23	19	26	36	36	37	37	37
\$1,888	\$1,940	\$1,981	\$2,176	\$2,237	\$2,293	\$2,344	\$2,398	\$2,451	\$2,508	\$2,569	\$2,641	\$2,718	\$2,787	\$2,857	\$2,929	\$3,001
472	486	501	516	531	547	564	581	598	616	634	653	673	693	714	735	757
91	94	96	106	109	112	115	118	121	124	127	131	134	137	141	144	148
880	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400
1,443 \$	980 \$	997 \$	1,022 \$	1,040 \$	1,059 \$	1,079 \$	1,098 \$	1,119 \$	1,140 \$	1,162 \$	1,184 \$	1,207 \$	1,231 \$	1,255 \$	1,280 \$	1,305 \$
445 \$	961 \$	984 \$	1,154 \$	1,197 \$	1,234 \$	1,265 \$	1,300 \$	1,332 \$	1,368 \$	1,407 \$	1,457 \$	1,511 \$	1,557 \$	1,602 \$	1,649 \$	1,696 \$
355 \$	380 \$	205		400	600	600	700	700	700	500	500	800	900	1,000	1,100	1,100
71	56	39														
-	858	858	858	854	844	827	809	787	762	734	714	688	646	599	546	488
426 \$	1,294 \$	1,102 \$	\$1,058	\$1,254	\$1,444	\$1,427	\$1,509	\$1,487	\$1,462	\$1,234	\$1,214	\$1,488	\$1,546	\$1,599	\$1,646	\$1,588
19 \$	(334) \$	(118) \$	96 \$	(57) \$	(210) \$	(162) \$	(210) \$	(154) \$	(94) \$	173 \$	243 \$	23 \$	11 \$	4 \$	3 \$	107 \$
1,1694 \$	1,713 \$	1,380 \$	1,262 \$	1,357 \$	1,300 \$	1,090 \$	929 \$	719 \$	565 \$	471 \$	644 \$	888 \$	911 \$	922 \$	925 \$	928 \$
1,1713 \$	1,380 \$	1,262 \$	1,357 \$	1,300 \$	1,090 \$	929 \$	719 \$	565 \$	471 \$	644 \$	888 \$	911 \$	922 \$	925 \$	928 \$	1,036 \$