



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.: 012
For Agenda Of: 10/16/2012
Placement: Administrative
Estimated Tme: NA
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Chandra L. Wallar, County Executive Officer, 568.3400
Director(s)
Contact Info: Dennis Bozanich, Assistant to the CEO, 568-3400

**SUBJECT: Letter of Support for the City of Goleta and Goleta Redevelopment (RDA)
Successor Agency**

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

Approve and authorize the Chair to sign a letter of support from the County of Santa Barbara and the Santa Barbara County Fire Protection District for a request to the Department of Finance for streamlining the sale of property to the City of Goleta that is held by the Goleta RDA Successor Agency

Summary Text:

The purpose of the letter is to support the Goleta RDA Successor Agency and the City of Goleta's request of the Department of Finance to complete the sale of the property expeditiously while maximizing value so that the proceeds can be deposited into the Redevelopment Property Tax Trust Fund for distribution to Affected Taxing Entities in an expedited manner, while not negatively impacting any aspects of the implementation of AB 26 and AB 1484.

Background:

This Goleta RDA Successor Agency holds a single real property asset. This property is located at 170 S. Kellogg Avenue in Goleta, CA, is currently vacant and undeveloped. The property was purchased with money from both the City and the former RDA (\$1,520,893 and \$1,122,649, respectively) in 2011 for the price identified in the fair market appraisal. While the land is in the name of the former RDA, the park project is a joint venture between the City and former RDA to construct a City park on the property, and the City holds an equitable interest in the property.

The City has been allocated grant funds in the amount of \$910,000 from the Prop 84 Statewide Park Program monies that are at risk if the process to develop the park does not continue. Moreover, the City has initiated the General Plan amendment process to designate the property for the park use.

The City has offered to purchase the property for the fair market appraised value (less the amount City already contributed). The Goleta Oversight Board considered this offer and was in unanimous support of the sale with concurrence of the Department of Finance.

The City desires to move forward on this park project, and is willing to forgo the opportunity to wait for the Long Range Property Management Plan (LRPMP) to be approved and seek the property at a less than fair market value. The Goleta City Council at its June 19, 2012 meeting directed the City Manager to begin discussions with the Oversight Board on the possibility of acquiring the former RDA's interest in the property for the appraised fair market value, less the amount already contributed by the City.

The Oversight Board considered the City's request on August 16, 2012, and was in unanimous support of the sale with concurrence of the Department of Finance. The support was based on its desire to expeditiously place monies from the sale of the property into the Community Redevelopment Property Tax Trust Fund (RPTTF) sooner so that it may be distributed to Affected Taxing Entities, as soon as possible.

While this approach is different from the AB 1484 approach, the Affected Taxing Entities believe it could provide a number of benefits to stakeholders for the following reasons:

1. Retains the subject property's intended purpose to serve a governmental purpose as a park;
2. Provides an influx of monies into the Redevelopment Property Tax Trust Fund for distribution to affected taxing entities via the waterfall process outlined in AB 26 as amended by AB 1484;
3. Allows the City to meet the conditions of the \$910,000 Prop 84 Grant which requires the City to be the owner of the subject property; and
4. Provides certainty to the City for continued development of the subject property as park for the benefit of the community.

Fiscal and Facilities Impacts:

NA

Attachments:

Letter of Support to the Department of Finance

Authored by:

Dennis Bozanich, Assistant to the County Executive Officer

CC: