March 5, 2012

County of Santa Barbara
Redevelopment Agency Successor
105 East Anapamu Street
Santa Barbara, CA 93101

Dear Agency Successor:

Enclosed is the report of 2011-12 Santa Barbara County Grand Jury entitled "Requiem for Redevelopment", in which your organization, district, department, office or position is named as an affected agency.

You are required to respond to each finding and recommendation contained in the report in the manner provided by California Penal Code Section 933.

- Within 60 days of the date of receipt of the report if you are an elected County officer, agency head or city mayor; or
- Within 90 days of the date of receipt of the report if you are a public agency

You are required to send your signed response to:

The Honorable Judge Brian Hill
Presiding Judge of the Superior Court of Santa Barbara County
1100 Anacapa Street
Santa Barbara, California 93101

Santa Barbara County Grand Jury
1100 Anacapa Street
Santa Barbara, California 93101

The report will be released to the public not less than two working days following the date of delivery. The report is confidential until public release.

If you have any questions, please contact me at the above address.

Sincerely yours,

Ted Sten
Foreman

Enclosure
REQUIEM FOR REDEVELOPMENT
The Life and Death of Redevelopment Agencies
in Santa Barbara County

SUMMARY

On December 29, 2011, the California Supreme Court ended the 66-year reign of redevelopment agencies throughout the Golden State. The Court upheld state law AB 26 allowing for the dissolution of all redevelopment agencies (RDAs). It also struck down AB 27 that would have allowed RDAs to continue if they directed more money to schools and special districts. Since AB 26 prevailed, RDAs are history. Given the far-reaching effects of this legislation, the 2011-12 Santa Barbara County Grand Jury examined the accomplishments and residual financial condition of all seven RDAs in Santa Barbara County.

RDAs were established as independent government entities funded by property taxes to improve deteriorated or blighted urban areas. RDAs paid for projects by borrowing and issuing bonds, which they did without a public vote. They were allocated property tax dollars to pay the interest and repay the debt on these loans and bonds.

Seven local governments in Santa Barbara County had RDAs: Buellton, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria, and Santa Barbara County (Isla Vista). In the 11 years through fiscal 2010, the seven RDAs in Santa Barbara County combined received almost $270 million in property tax dollars -- about 5 percent of the County property tax receipts.

In this same period, the seven RDAs spent over $350 million: $220 million on administration and projects, and over $130 million on debt service.

These RDAs have dissolved owing almost $300 million in bonds, loans, and other obligations. Even though the agencies themselves no longer exist, the cities and counties that established them must now repay all existing indebtedness with future property tax dollars.

Although the RDAs cease to exist, their legacy and their debt remain. The public officials who served as directors of RDAs also remain since they are the council members of the sponsoring cities and Board of Supervisors of the County. The purpose of this report is to help citizens understand how their elected officials have spent property taxes through RDAs and how much debt remains to be paid.
BACKGROUND

The California State Legislature passed the California Community Redevelopment Act in 1945 giving cities and counties the authority to establish redevelopment agencies to combat urban blight. AB 1290, passed in 1993, specified that a blighted area had to be predominantly urban. The blight must have caused a lack of “proper utilization” of the area and constituted a serious physical and economic burden to the community that would not likely be reversed by private or government actions without redevelopment (Legislative Analyst's Office, 1994).

At the time an RDA was established, a city council or board of supervisors could either appoint a five member governing board or could declare itself to be the board (Community Redevelopment Law, California Health and Safety Code 33110 and 33200). The respective council members or supervisors chose to make themselves the Boards of all RDAs in Santa Barbara County.

While RDAs were not permitted to levy taxes, they could issue bonds without a vote of the people.

In 1952, California voters passed Proposition 18, Community Redevelopment Projects, authorizing taxing agencies to identify assessed values of properties within designated redevelopment project areas. At the time of approval of a redevelopment plan and thereafter, the additional taxes generated by increases in assessed value of these properties were awarded to the redevelopment agency. This additional tax revenue based on increased assessed values is known as “Tax Increment.” It was designated to be used as security for obligations and to repay debt. The rationale behind Tax Increment funding was, as RDAs improved their blighted areas, assessed values would go up, and RDAs would in effect become self-supporting. This rationale assumed that improvements made by RDAs would be responsible for the rising property values. However, if general economic trends were responsible for increasing property values, diverting property tax revenues to RDAs could be seen as a subsidy that may or may not serve the tax payers well.

Allocating Tax Increment to RDAs meant that other entities that benefit from property tax, such as schools, fire departments, and special districts, would receive the same amount of property tax that they received in the year in which the redevelopment plan took effect. They would not benefit from increased property values, though they could negotiate with RDAs to get a share of the Tax Increment money. Subsequently, AB 1290 established a statutory formula for “passing through” part of the Tax Increment revenue back to schools, fire departments, and special districts. In addition to passing part of Tax Increment revenues back, RDAs were required to set aside 20 percent of the Tax Increment to use on low/moderate income housing.

RDAs had a significant impact on the State General Fund. Even with AB 1290 “pass-throughs” to schools, RDAs still received property taxes that would otherwise have gone to schools. The State then had to reimburse schools to fund them at minimal levels set by
REQUIEM FOR REDEVELOPMENT

Proposition 98. Thus, the State spent money from its General Fund to support schools while property taxes that would otherwise have gone to schools went to redevelopment agencies.

Given the budget deficit California is facing, the State attempted to limit demands on its General Fund by cutting the amount of property tax going to RDAs thereby lessening the need for State support of schools. To accomplish this goal, on June 29, 2011, Governor Brown signed bills AB 26 and AB 27. AB 26 dissolved current RDAs. AB 27 would have created an Alternative Voluntary Redevelopment Program in which RDAs gave more money to schools, special districts, cities, and counties.

The League of California Cities, the California Redevelopment Association, and the cities of San Jose and Union City filed a petition with the California Supreme Court, challenging the constitutionality of AB 26 and AB 27. The petition claimed that AB 26 and AB 27 violated Proposition 22 passed in November 2010, the stated purpose of which was “to conclusively and completely prohibit state politicians in Sacramento from seizing, diverting, shifting, borrowing, transferring, suspending, or otherwise taking or interfering with’ revenue dedicated to local government” (Petition for Writ of Mandate. California Redevelopment Association, et. al. vs. Matosantos, et. al. 2011).

The California Supreme Court heard oral arguments on November 10, 2011 and ruled on the case December 29, 2011. The Court ruled that AB 26 was constitutional stating, “Assembly Bill 1X 26, the dissolution measure, is a proper exercise of the legislative power vested in the Legislature by the state Constitution.” Since the Legislature had the power to create RDAs, it had the corollary power to dissolve them. The Court ruled that AB 27, however, was unconstitutional. The Court stated: “Assembly Bill 1X 27, the measure conditioning further redevelopment agency operations on additional payments by an agency’s community sponsors to state fund benefiting schools and special districts [is not a proper exercise of legislative power]. Proposition 22 . . . expressly forbids the Legislature from requiring such payments.”

With this decision, the Court eliminated RDAs rather than limiting them as the Legislature had intended.

METHODOLOGY

The Jury obtained material for this analysis from a variety of sources:

- Assembly Bills AB 26 and AB 27
- Budgets and reports made to RDA boards
- California Assembly Budget Committee. “Joint Hearing on Enterprise Zones and Redevelopment.” 2011
- California Community Redevelopment Law, California Health and Safety Code, Division 24
- California Redevelopment Association et al. v. Ana Matosantos, as Director, etc., et al. S194861 (Supreme Court of California, 2011)
REQUIEM FOR REDEVELOPMENT

- Enforceable Obligation Payment Schedule for each RDA in Santa Barbara County
- Interviews with government staff
- Legislative Analyst’s Office. Governor’s Redevelopment Proposal 2011
- Legislative Analyst's Office. Redevelopment After Reform: A Preliminary Look 1994
- Municipal Officials for Redevelopment Reform. Redevelopment: The Unknown Government 2004
- Various news articles
- Web sites for all RDAs in Santa Barbara County

OBSERVATIONS AND ANALYSIS

The RDAs of Santa Barbara County
With the implementation of AB 26, Santa Barbara County loses seven RDAs. Six cities had RDAs: Buellton, Goleta, Guadalupe, Lompoc, Santa Barbara, and Santa Maria. Santa Barbara County created an RDA in unincorporated Isla Vista. The six city RDAs were governed by their respective City Councils; the Isla Vista RDA was governed by the County Board of Supervisors.

The Buellton RDA was established in 1993. It encompassed 180 acres, approximately 17 percent of the incorporated city's total land area.

The Goleta Old Town Redevelopment Project Area was adopted in 1998 by the County of Santa Barbara Redevelopment Agency when Goleta was an unincorporated part of the County. When the City of Goleta incorporated in 2002, it established the Redevelopment Agency for the City of Goleta to take over the Old Town Project Area. The Project Area encompassed 595 acres, about 3.5 percent of the incorporated city.

The Guadalupe Community Redevelopment Agency, established in 1985 and amended in 2009, encompassed 581 acres, about 70 percent of the incorporated city.

In 1984, Lompoc approved the Old Town Redevelopment Project area to encompass 80 acres in downtown. The Project Area Redevelopment Plan was amended to add 920 acres surrounding downtown in 1998 and again to add 80 acres on the eastern portion of the City in 2002 totaling 1,080 acres, about 14 percent of the city.

The City of Santa Barbara Redevelopment Agency was created in 1968 and the Central City Redevelopment Project area was established in 1972 encompassing 850 acres, about 7 percent of the city.
The Santa Maria Redevelopment Agency was established in 1959. The Town Center Project Area was created in 1972 and amended in 1994 encompassing 13 acres, less than 0.1 percent of the city.

Santa Barbara County established the Isla Vista project area in 1990 to include 429 acres adjacent to the University of California Santa Barbara.

### RDAs IN SANTA BARBARA COUNTY

<table>
<thead>
<tr>
<th></th>
<th>Buellton</th>
<th>Goleta</th>
<th>Guadalupe</th>
<th>Lompoc</th>
<th>SB</th>
<th>SM</th>
<th>SBC-IV</th>
</tr>
</thead>
<tbody>
<tr>
<td>established</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of</td>
<td>1.8</td>
<td>595</td>
<td>581</td>
<td>1,080</td>
<td>850</td>
<td>13</td>
<td>429</td>
</tr>
<tr>
<td>acres</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of City in</td>
<td>17%</td>
<td>4%</td>
<td>70%</td>
<td>14%</td>
<td>7%</td>
<td>&lt;0.1%</td>
<td>-</td>
</tr>
<tr>
<td>RDA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: California State Controller's Office, *Community Redevelopment Agencies Annual Reports*

### Expenditures

The California State Controller's Office has published detailed reports of RDAs' financial activities for the years FY 2000 – FY 2010. These are compiled and presented below.

#### RDA TOTAL EXPENDITURES FY 2000 – FY 2010

<table>
<thead>
<tr>
<th></th>
<th>Buellton</th>
<th>Goleta</th>
<th>Guadalupe</th>
<th>Lompoc</th>
<th>SB</th>
<th>SM</th>
<th>SBC-IV</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 Yr Total</td>
<td>$7.4 mil</td>
<td>$21.7 mil</td>
<td>$10.9 mil</td>
<td>$24.0 mil</td>
<td>$210.4 mil</td>
<td>$34.7 mil</td>
<td>$44.1 mil</td>
<td>$353.2 mil</td>
</tr>
</tbody>
</table>

Calculated from: California State Controller’s Office, *Community Redevelopment Agencies Annual Reports*

#### RDA EXPENDITURES FY 2000 – FY 2010

**Percentages Spent in Each Category**

<table>
<thead>
<tr>
<th></th>
<th>Buellton</th>
<th>Goleta</th>
<th>Guadalupe</th>
<th>Lompoc</th>
<th>SB</th>
<th>SM</th>
<th>SBC-IV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Admin &amp; Prof Services</td>
<td>78%</td>
<td>21%</td>
<td>21%</td>
<td>14%</td>
<td>10%</td>
<td>2%</td>
<td>13%</td>
</tr>
<tr>
<td>Debt Interest</td>
<td>4%</td>
<td>2%</td>
<td>23%</td>
<td>12%</td>
<td>15%</td>
<td>34%</td>
<td>8%</td>
</tr>
<tr>
<td>Debt Principal</td>
<td>3%</td>
<td>21%</td>
<td>8%</td>
<td>9%</td>
<td>25%</td>
<td>51%</td>
<td>8%</td>
</tr>
<tr>
<td>Real Estate Dev</td>
<td>9%</td>
<td>31%</td>
<td>36%</td>
<td>46%</td>
<td>48%</td>
<td>0%</td>
<td>36%</td>
</tr>
<tr>
<td>Property Acquisition</td>
<td>0%</td>
<td>0%</td>
<td>4%</td>
<td>0%</td>
<td>3%</td>
<td>4%</td>
<td>0%</td>
</tr>
<tr>
<td>Housing Subsidies</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>1%</td>
</tr>
</tbody>
</table>
A comparison of percentages of each RDA’s expenditures reveals several differences. Buellton spent the largest percentage on administration and professional services. Santa Maria spent virtually its entire RDA budget on paying debt service (principal and interest) incurred for the earlier construction of parking structures and lots. Santa Maria had no real estate development expenditures during the 11 years examined and Buellton had minimal. Real estate development accounted for almost half of expenditures in Santa Barbara and Lompoc and about a third of those in Goleta, Guadalupe, and Isla Vista. While the data offer a breakdown into various aspects of real estate development (see Appendix 1 for categories), they do not disclose the details of individual projects such as payments to developers, non-profits, and consultants. Goleta and Isla Vista report a quarter and a third respectively of expenditures as “other,” precluding a detailed analysis of this spending.

Revenue
RDAs had several sources of revenue: Tax Increment, interest income, rental and lease income, grants from other agencies, and “other.” The main revenue source was Tax Increment: property tax on the increase in assessed value of the parcels in a project area since the RDA was established. As presented in the table below, Tax Increment typically represented about 85 percent of RDAs’ revenue.

RDA REVENUE FY 2000 – FY 2010

<table>
<thead>
<tr>
<th></th>
<th>Buellton</th>
<th>Goleta</th>
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<th>SM</th>
<th>SBC-IV</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 Yr Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Tax</td>
<td>$5.2 mil</td>
<td>$19.4 mil</td>
<td>$11.5 mil</td>
<td>$18.6 mil</td>
<td>$162.7 mil</td>
<td>$12.0 mil</td>
<td>$39.0 mil</td>
<td>$268.5 mil</td>
</tr>
<tr>
<td>Increment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11 Yr total</td>
<td>$1.0 mil</td>
<td>$2.7 mil</td>
<td>$2.7 mil</td>
<td>$2.0 mil</td>
<td>$30.1 mil</td>
<td>$2.8 mil</td>
<td>$7.0 mil</td>
<td>$48.3 mil</td>
</tr>
<tr>
<td>Other Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11 Yr Total</td>
<td>$6.2 mil</td>
<td>$22.1 mil</td>
<td>$14.2 mil</td>
<td>$20.6 mil</td>
<td>$192.8 mil</td>
<td>$14.8 mil</td>
<td>$46.0 mil</td>
<td>$316.8 mil</td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Debt
In addition to Tax Increment, RDAs were able to use a variety of other funding sources including long-term bonds, refinancing debt, selling assets, and borrowing from their city or county. Loans, bonds, and interest were usually secured by and repayable from the RDA’s property Tax Increment.

AB 26 required all RDAs to adopt and post an “Enforceable Obligation Payment Schedule.” While there was variation in the way different RDAs report, the data
permitted identifying long-term obligations that will not be paid off within one year as presented below.

**ENFORCEABLE OBLIGATION PAYMENT SCHEDULES (2011)**

<table>
<thead>
<tr>
<th>Buellton</th>
<th>Goleta</th>
<th>Guadalupe</th>
<th>Lompoc</th>
<th>SB</th>
<th>SM</th>
<th>SBC-IV</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1.8 mil</td>
<td>$33.6 mil</td>
<td>$19.9 mil</td>
<td>$43.8 mil</td>
<td>$167.2 mil</td>
<td>$29.3 mil</td>
<td>$17.0 mil</td>
</tr>
</tbody>
</table>

Calculated from Enforceable Obligation Payment Schedules; includes debt service on loans and bonds, and money owed to funds and accounts that will not be paid within one year.

**RDA Accomplishments**

What did tax payers get for these expenditures of property Tax Increment and accumulated debt? An accounting of accomplishments is provided by the State Controller's Office. Each RDA was required to list the activities it completed in its annual Financial Transactions Report. These activities are listed in Appendix 2. They do not include projects in progress such as the Dick DeWees Community and Senior Center in Lompoc nor projects completed prior to 1999-2000, such as the Paseo Nuevo project in Santa Barbara or the parking structures and lots at Town Center Malls East and West in Santa Maria. Nevertheless, they are the official enumeration.

**Effects of Dissolution**

AB 26, the act dissolving RDAs, ruled constitutional by the California Supreme Court, authorizes successor agencies, typically the cities or counties creating RDAs, to receive property Tax Increment the RDAs would have received in order to make payments on legally enforceable obligations. In addition, AB 26 authorized establishment of an Oversight Board for each successor agency to approve actions of successor agencies including the Enforceable Obligations Schedule.

The table below shows each RDA's report of anticipated expenditures for the coming fiscal year listed in each RDA's Enforceable Obligation Payment Schedule and expected Tax Increment that the successor agency will use to pay off obligations. Successor agencies and Oversight Boards may not approve all of the projected expenses. Per AB 26, when the Tax Increment exceeds the amount needed to pay debt obligations and "pass-throughs," the excess will go to a fund established by the county auditor-controller to distribute to schools and special districts in the proportion they would have received property taxes had there been no RDAs.
### ENFORCEABLE OBLIGATION PAYMENT SCHEDULES

**Projected expenses and Tax Increment**

<table>
<thead>
<tr>
<th></th>
<th>Buellton</th>
<th>Goleta</th>
<th>Guadalupe</th>
<th>Lompoc</th>
<th>SB</th>
<th>SM</th>
<th>SBC-IV</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Projected debt service 2012</strong></td>
<td>$0.1 mil</td>
<td>$4.5 mil</td>
<td>$1.1 mil</td>
<td>$1.7 mil</td>
<td>$11.8 mil</td>
<td>$2.7 mil</td>
<td>na</td>
</tr>
<tr>
<td><strong>Projected expenses 2012</strong></td>
<td>$1.5 mil</td>
<td>$0.7 mil</td>
<td>$0.7 mil</td>
<td>$2.7 mil</td>
<td>$3.6 mil</td>
<td>$0.00</td>
<td>na</td>
</tr>
<tr>
<td><strong>Total projected cash outflow 2012</strong></td>
<td>$1.6 mil</td>
<td>$5.2 mil</td>
<td>$1.8 mil</td>
<td>$4.5 mil</td>
<td>$15.5 mil</td>
<td>$2.7 mil</td>
<td>na</td>
</tr>
<tr>
<td><strong>Current year Tax Increment</strong></td>
<td>$0.8 mil</td>
<td>$3.9 mil</td>
<td>$1.5 mil</td>
<td>$2.6 mil</td>
<td>$19.9 mil</td>
<td>$1.1 mil</td>
<td>$6.6 mil</td>
</tr>
</tbody>
</table>

Calculated from Enforceable Obligation Payment Schedules and Source; California Department of Finance, “Estimated AB27 Payment”

* Short-term liabilities, operating expenses, and one-time “pass-throughs.”

na = Not available from Enforceable Obligation Payment Schedule

As RDA liabilities are paid off, schools and special districts as well as cities, and the County will receive additional revenue from property taxes.

Existing bond proceeds will continue to be spent on the purposes for which they were borrowed. Any project already fully funded will continue to be pursued by the successor agency. Bond indebtedness will be paid off by the successor agency with Tax Increment dollars.

Since RDAs employed people to administer them, there may be job losses. RDAs had full-time employees as well as employees shared with their respective cities or the county. These employees could remain if the successor agency accepts them.

Among the casualties from the termination of RDAs is low-income and moderate-income housing and the elimination of blight. Each city or county will now be forced to examine how to address these needs without having an RDA as a funding source.

Cities, counties, schools, and special districts will receive more funds as RDA debts are repaid. The biggest beneficiary of the dissolution of RDAs is the State of California. Since the State General Fund made up for losses of property tax to schools caused by RDAs receiving those property taxes, when the dissolved RDAs’ debts are paid off, schools will get more property tax revenues.
CONCLUSION

The seven redevelopment agencies in Santa Barbara County spent over $350 million in 11 years on projects, administration, and debt service. They incurred substantial debt secured by future property tax revenue. Although AB 26 has ended the existence of the redevelopment agencies themselves, their debt must be assumed by successor agencies, most likely their sponsoring cities and, in the case of Isla Vista, the County of Santa Barbara. This debt will be repaid from future property Tax Increment. Throughout the existence of redevelopment agencies, available documents have not sufficiently delineated the recipients of RDA funds – the developers, non-profits, and consultants. The Enforceable Obligation Payment Schedules submitted by each RDA to the State do not break out the payment of interest and the repayment of principal. Additional questions about projects already funded but not completed have yet to be answered.

Finally, while some RDAs enumerate and describe projects accomplished, few demonstrate how their expenditures have specifically helped eliminate blight. If blight is still an issue, how will it be addressed? What about the future of affordable housing? Has this been an effective use of property tax?

The 2011-12 Santa Barbara County Grand Jury concludes that there is a need for greater transparency as the debt is transferred to cities and the County. A final reckoning is needed.

If nothing else, the elimination of redevelopment agencies can be seen as an opportunity to re-examine issues such as blight and affordable housing. Given the current economic reality, this is imperative.

FINDINGS AND RECOMMENDATIONS

Finding 1
Buellton: over the past 11 years spent $7.4 million; received $5.2 million in Tax Increment; has $1.8 million in outstanding long-term debt and obligations.

Finding 2
Goleta: over the past 11 years spent $21.7 million; received $19.4 million in Tax Increment; has $33.6 million in outstanding long-term debt and obligations.

Finding 3
Guadalupe: over the past 11 years spent $10.9 million; received $11.5 million in Tax Increment; has $19.9 million in outstanding long-term debt and obligations.

Finding 4
Lompoc: over the past 11 years spent $24 million; received $18.6 million in Tax Increment; has $43.8 million in outstanding long-term debt and obligations.
Finding 5
City of Santa Barbara: over the past 11 years spent $210.4 million; received $162.7 million in Tax Increment; has $167.2 million in outstanding long-term debt and obligations.

Finding 6
City of Santa Maria: over the past 11 years spent $34.7 million; received $12.0 million in Tax Increment; has $29.3 million in outstanding long-term debt and obligations.

Finding 7
County of Santa Barbara (Isla Vista): over the past 11 years spent $44.1 million; received $39.0 million in Tax Increment; has $17 million in outstanding long-term debt and obligations.

Finding 8
Detailed data are not available on the amount of money spent on individual projects, the recipients of this money, or how these projects have contributed to eliminating blight.

Recommendation 1
That all successor agencies provide on their websites the following for projects funded over the past 10 years, including projects that have been funded, but not completed:
1. list of all projects funded (completed or not) and the designated blight they eliminated
2. the amounts spent (or to be spent) on each individual project
3. the names and locations of recipients of over $25,000 associated with each project
4. administrative costs and professional services associated with each project
5. amounts of principal and interest payments associated with each project

Recommendation 2a
That all successor agencies provide on their websites their plans for defining and eliminating blight in the absence of RDAs.

Recommendation 2b
That all successor agencies provide on their websites their plans for providing low-income and moderate-income housing in the absence of RDAs.

Recommendation 3
That all successor agencies provide on their websites debt retirement schedules.

REQUEST FOR RESPONSE

In accordance with California Penal Code Section 933.05, each agency and government body affected by or named in this report is requested to respond in writing to the findings and recommendations in a timely
manner. The following are the affected agencies for this report, with the mandated response period for each.

**Buellton Redevelopment Agency Successor Agency — 90 days**
- Findings 1, 8
- Recommendations 1, 2a, 2b, 3

**Redevelopment Agency for the City of Goleta Successor Agency — 90 days**
- Findings 2, 8
- Recommendations 1, 2a, 2b, 3

**Guadalupe Community Redevelopment Agency Successor Agency — 90 days**
- Findings 3, 8
- Recommendations 1, 2a, 2b, 3

**Redevelopment Agency of the City of Lompoc Successor Agency — 90 days**
- Findings 4, 8
- Recommendations 1, 2a, 2b, 3

**Redevelopment Agency of the City of Santa Barbara Successor Agency — 90 days**
- Findings 5, 8
- Recommendations 1, 2a, 2b, 3

**City of Santa Maria Redevelopment Agency Successor Agency — 90 days**
- Findings 6, 8
- Recommendations 1, 2a, 2b, 3

**Redevelopment Agency of the County of Santa Barbara Successor Agency — 90 days**
- Findings 7, 8
- Recommendations 1, 2a, 2b, 3
APPENDIX 1

RDA Expenditure Categories
Admin & Prof Services includes Administrative Costs and Professional Services
Debt Interest Payments include Interest Expense and Debt Issuance Costs
Debt Principal includes Tax Allocation Bonds, Revenue Bonds, City/County Loans, and Other Long-term Debt
Real Estate Development includes Site Clearance Costs, Planning Survey & Design, Project Improvement/Construction Costs, Disposal Costs, Loss on Disposition of Land Held for Resale, Decline in Value of Land Held for Resale, Rehabilitation Costs/Grants, Operation of Acquired Property
Property Acquisitions include Real Estate Purchases, Acquisition Expense, Relocation Costs/Payments, Fixed Asset Acquisitions
Housing Subsidies include Subsidies to Low & Moderate Income Housing
Other includes Other Expenditures
REQUIEM FOR REDEVELOPMENT

APPENDIX 2

RDA Accomplishments 1999-2000 through 2009-2010

Source: The following list of accomplishments comes from the 1999-2000 through 2009-2010 State Controller's Community Redevelopment Agencies Annual Report. These Reports are based on information provided as part of each RDA's annual Financial Transactions Report.

Buellton Redevelopment Agency
None listed

Goleta Redevelopment Agency
Rehabilitating 30 housing units for very-low-income families
Rehabilitating 18 housing units for low-income families in Goleta Old Town
Completing construction of 16 housing units for very-low and low-income families in the El Encanto Apartment project
Providing funding for several capital projects (2006-2007)
Providing affordable housing rehab assistance to four households (2006-2007)
Providing funding for several capital projects (2007-2008)
Providing affordable housing rehabilitation assistance to four households (2007-2008)
Providing funding to Hollister Avenue Redesign Project
Upgrading Amtrak Railroad Station
Extending Ekwill and Fowler roads
Increasing capacity of San Jose Creek Flood Channel
Providing residential rehabilitation assistance to 19 low- and moderate-income households
Providing residential rehabilitation assistance to six owner-occupied single-family units

Guadalupe Community Redevelopment Agency
Completing earthquake retrofitting of a downtown business office complex
Completing improvements to the Royal Theatre
Constructing a gazebo downtown
Completing improvements to the Veterans Hall and a parking lot
Providing facade program grants to businesses
Completing the former Lantern Hotel project
Continuing to revitalize the downtown with a decorative street lighting improvement project, facade grants, and improved entrance signs with the city logo
Providing grants to property owners for retrofitting
Providing several facade grants
Improving commercial buildings under retrofit
Renovating housing through the Housing Rehabilitation grants
APPENDIX 2 (Cont.)

Purchasing four units for new construction under the directions of Habitat for Humanity
Improving existing homes
Assisting low-income families with Housing Rehabilitation Grants

**Lompoc Redevelopment Agency**
Rehabilitating the Courtyard Apartments
Providing financial assistance for the new Community Center
Assisting Habitat for Humanity in completing construction of two single-family homes
Providing two loans for facade improvements on two commercial buildings
Providing assistance to businesses through the Commercial Rehabilitation Program
Completing three commercial projects utilizing the Commercial Facade Program and the Commercial Rehabilitation Program
Completing the Infant Child Care Facility and four affordable housing units
Completing rehabilitation of a 35-unit apartment complex
Providing three loans through CalHFA Help Loan Program
Providing a loan to Habitat for Humanity
Completing the Aquatic Center
Creating approximately 50 jobs
Providing funding to a business owner for commercial facade facilitation
Providing funding for a new roof at the Historic Lompoc Museum
Providing funding for the Crown Laurel Housing Project
Providing funding for the Homebase and G Street Housing Project
Completing a 35-unit affordable housing project
Assisting Lompoc City to purchase a vacant lot that will be developed as part of the New Lompoc Valley Senior Center

**City of Santa Barbara Redevelopment Agency**
Completing the restoration of the city’s railroad station and adjacent Depot Park
Completing renovation of Storke Placita, a plaza in the Downtown Corridor
Completing Phase II of the State Street Sidewalk Improvement Project
Providing funding for construction of a 75-unit rental housing project for low-income families
Providing funding for a 95-unit rental housing project for low-income seniors
Completing the Granada Garage
Completing the Louise Lowry Davis Center restoration
Completing 61 studio apartment rental units for the homeless, and very low-income downtown workers
Providing loans for the El Carrillo Project
Providing financial assistance for the East Anapamu Street Housing Project
Completing 20 affordable housing units at South Voluntario Street
Completing public restrooms on State Street
Completing the final phase of the State Street Sidewalk Improvement Project
Completing the Twelve 35 Teen Center
Completing the State Street underpass improvements
Providing several community cultural grants for capital projects
Completing 61 small studio-apartment rental units for the homeless, and a 2-bedroom manager’s unit
Completing three new low-income ownership-units through Habitat for Humanity
Completing the Chapala Street Improvement Project
Completing the Thompson Avenue Improvement Project
Completing two low-income rental housing projects
Completing construction of the East Anapamu Street Project
Providing several community cultural grants for capital projects
Completing the Granada Theatre Renovation Project
Providing funding for the Lobero Theatre for system improvements
Providing funding for capital improvement of the Arts Mentorship Program
Providing funding for the Center Stage Theater improvements
Providing funding for community parking lots through the Transportation Management Program
Completing Plaza Vera Cruz Project
Completing improvements Spencer Adams Parking Lot
Operating Bradley Property, affordable rental housing
Completing construction on East Anapamu Street
Funding the acquisition of property at 416-424 East Cota Street
Completing the Fire Station No. 1 Seismic Renovation Project

Santa Maria
None listed

Santa Barbara County – Isla Vista
Rehabilitating 30 housing units for very-low-income families with Community Development Block Grant and RDA funds
Completing construction of 56 housing units for very-low-income and low-income families on Abrego Road in Isla Vista