

**RDA RESOLUTION NO. 11-03**

**A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF GOLETA, CALIFORNIA RESTATING , REAFFIRMING AND CLARIFYING INTENTIONS AND UNDERSTANDING OF COOPERATION AGREEMENT BETWEEN THE CITY OF GOLETA AND THE REDEVELOPMENT AGENCY FOR THE CITY OF GOLETA FOR PUBLIC IMPROVEMENTS**

**WHEREAS**, the City of Goleta, pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.: the "Redevelopment Law"), is responsible for implementing the Redevelopment Plan (herein the "Old Town Plan") for the Goleta Old Town Redevelopment Project Area (herein the "Project Area"), as adopted by Ordinance No. 02-08 adopted on February 1, 2002; and

**WHEREAS**, in order to implement the Old Town Plan, the Agency, by Resolution No. 08-05, adopted on June 17, 2008, has adopted a new five-year implementation plan (herein the "Implementation Plan") pursuant to Section 33490 of the Redevelopment Law; and

**WHEREAS**, Section 401 of the Old Town Plan established various goals for the Project Area including public infrastructure improvements and community facilities, such as the "installation, construction, reconstruction, redesign, or reuse of streets, utilities, curbs, flooding and drainage facilities, gutters, sidewalks, street lighting, landscaping, and other public improvements," which are necessary for the effective redevelopment of the (Old Town) Project Area; and

**WHEREAS**, with the implementation of specific public improvement and facility projects, the Agency would eliminate blighting conditions in the Project Area, including but not limited to factors that hinder the economically viable use of buildings or lots, economic decline, high business turnover, low lease rates, high vacancy rates, and/or inadequate public improvements; and

**WHEREAS**, the San Jose Creek Capacity Improvement Project is a benefit to the project area because it will increase the capacity of the channel and decrease the likelihood of flooding in the project area including downtown Goleta area along Hollister Avenue. The current capacity of San Jose Creek Channel is insufficient to accommodate a 100 year flood storm event. As a result, during lesser events, flood waters have traditionally broken out at Hollister Bridge and caused significant flooding damage in Goleta Old Town. The project includes replacing the existing Hollister Avenue Bridge over San Jose Creek, and replacing the existing 4250 foot long channel with a wider channel with an articulated concrete revetment bottom with an internal fish passage channel; and

**WHEREAS**, the Ekwill/Fowler Road Extension Project will benefit the project area by decreasing traffic congestion in downtown Goleta through alternative routes to

**WHEREAS**, since June 16, 2009, City has undertaken extensive design and engineering work in reliance upon Agency's obligations under the Cooperation agreement which have resulted in more accurate cost projections and timelines that have resulted from unanticipated changes in scope and requirements to the Capital Improvement Program in the RDA's Project Area; and

**WHEREAS**, Agency and City Community Services staff now project with more accuracy and clarity expenditures that are anticipated through FY 2016-17; and

**WHEREAS**, of particular concern is the San Jose Creek Capacity Project, whose timeline and costs have changed substantially since June 16, 2009; and

**WHEREAS**, to better clarify obligations under the Cooperation Agreement, Staff has identified the projection for project costs for fiscal years 2010-11 through 2016-17; and

**WHEREAS**, for the 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, and 2016-17 fiscal years, the Agency desires City to undertake the following public improvement Projects pursuant to the Cooperation Agreement in the amounts listed, totaling \$24,397,000:

PROJECT	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
S.J. Creek Channel	\$1,510,000	\$7,200,000	\$3,600,000	3,600,000	--	--	--
Ekwill-Fowler	\$112,000	\$150,000	\$150,000	--	--	--	--
Hollister Redesign	\$75,000	\$500,000	\$500,000	\$1,000,000	\$3,000,000	\$2,000,000	\$1,000,000
<b>Total</b>	<b>\$1,697,000</b>	<b>\$7,850,000</b>	<b>\$4,250,000</b>	<b>\$4,600,000</b>	<b>\$3,000,000</b>	<b>\$2,000,000</b>	<b>\$1,000,000</b>

**WHEREAS**, the City has incurred and the Agency has repaid a total of \$3,767,566 through January 31, 2011 on the Projects within the Old Town Project Area pursuant to the Cooperation Agreement; and

**WHEREAS**, the City, in reliance on the Cooperation Agreement, intends to award contracts for construction of the San Jose Creek Improvements in June of 2011 totaling \$14,000,000 over three fiscal years, culminating in FY 2013-14; and

**WHEREAS**, the City, in reliance on the Cooperation Agreement, intends to award contracts for reconstruction beginning in FY 11-12 as part of the Hollister Redesign Project in FY 2013-14 totaling \$8,000,000 over the following four fiscal years, culminating in FY 2016-17; and

**WHEREAS**, in order to achieve the goals in Section 401 of the Old Town Plan the Agency will need to complete the identified projects via the mechanism provided through the Cooperation Agreement; and

**WHEREAS**, the Agency's issuance of tax allocation bonds provides the funding to permit the Executive Director to transfer proceeds to the City to repay the debt owed pursuant to the Cooperation Agreement; and

**WHEREAS**, the Governor's Proposed Budget Summary issued on January 10, 2011 recommends the elimination of redevelopment agencies and their abilities to finance redevelopment efforts beginning July 1, 2011; and

**WHEREAS**, some legislation proposed to implement the Governor's Proposed Budget Summary includes successor entities and oversight agencies which would benefit from a clear understanding of the intentions of the Agency in entering into the Cooperation Agreement; and

**WHEREAS**, it has always been the Agency's intention to obligate itself to the performance of the Projects and to pledge tax allocation financing to secure that obligation; and

**WHEREAS**, it has always been the Agency's intention to self-finance via a third-party debt issuance tax increment financing where most prudent; and

**WHEREAS**, the Agency desires to reaffirm, restate and clarify its intentions and understanding in entering into the Cooperation Agreement.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GOLETA AS FOLLOWS:**

**SECTION 1.**

That the foregoing recitals are found to be true and correct, and are incorporated herein by reference.

**SECTION 2.**

The Agency hereby reaffirms its prior findings, determinations and approvals made and given with respect to the Cooperation Agreement and the Projects provided for under the Cooperation Agreement, and hereby further finds and determines that the acquisition of the land for and the installation or construction of the Projects are of benefit to the Project Area by helping to eliminate blight within the Project Area; that no other reasonable means of financing the acquisition of land for and the installation or construction of the Projects are available to the community; and that the payment of funds for the acquisition of land for and the cost of installation or construction of the Projects is consistent with the Agency's five-year implementation plan adopted pursuant to Health and Safety Code Section 33490. The foregoing findings and determinations are based upon the information contained in the above Recitals, which are incorporated herein by reference.

**SECTION 3.**

The Cooperation Agreement memorializes a valid, legally binding debt and obligation of the Agency which is due and payable from tax allocation proceeds.

**SECTION 4.**

The Executive Director is hereby authorized to take all steps necessary to implement the Cooperation Agreement for Public Improvements on behalf of the Agency, including without limitation cooperating with the City to ensure that the design and construction of the Projects is completed in accordance with the Cooperation Agreement and the immediate repayment to the City of the City's costs incurred in undertaking and completing the Projects for and on behalf of the Agency, in accordance with the Cooperation Agreement, from any and all available Agency sources including but not limited to tax allocation and proceeds from tax allocation bond issuance.

**SECTION 5.**

The Agency Secretary shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.


**PASSED, APPROVED, AND ADOPTED this 15<sup>th</sup> day of March, 2011.**

  
MARGARET CONNELL, CHAIR

ATTEST:

APPROVED AS TO FORM:

  
DEBORAH CONSTANTINO  
AGENCY SECRETARY

  
TIM W. GILES  
AGENCY GENERAL COUNSEL

STATE OF CALIFORNIA )  
COUNTY OF SANTA BARBARA ) ss.  
CITY OF GOLETA )

I, DEBORAH CONSTANTINO, City Clerk of the City of Goleta, California, DO HEREBY CERTIFY that the foregoing Resolution No. 11-03 was duly adopted by the Board of the Redevelopment Agency of the City of Goleta at a regular meeting held on the 15<sup>th</sup> day of March, 2011, by the following vote of the Board:

AYES: CHAIR CONNELL, VICE CHAIR EASTON, AGENCY MEMBERS  
ACEVES, BENNETT AND PEROTTE.

NOES: NONE.

ABSENT: NONE

ABSTENTIONS: NONE

(SEAL)

  
DEBORAH CONSTANTINO  
AGENCY SECRETARY

