Santa Maria
★★★★★
All-America City

CITY OF SANTA MARIA
OFFICE OF THE CITY MANAGER
City Manager, Ext. 200
Human Resources, Ext. 203

RECEIVED
MAY 30 2012
BY:_____

110 EAST COOK STREET, ROOM #1 • SANTA MARIA, CA 93454-5190 • 805-925-0951 • FAX 805-349-0657 • www.ci.santa-maria.ca.us

May 21, 2012

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

Grand Jury Foreperson:

The 2011-12 Santa Barbara County Grand Jury recently released its report entitled *Requiem for Redevelopment: The Life and Death of Redevelopment Agencies in Santa Barbara County.* The City of Santa Maria (City) is named as an affected agency and is required to respond to applicable findings and recommendations within 90 days of the report issuance.

RESPONSE TO THE GRAND JURY FINDING REGARDING *REQUIEM FOR REDEVELOPMENT: THE LIFE AND DEATH OF REDEVELOPMENT AGENCIES IN SANTA BARBARA COUNTY*

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.

City Response: The respondent disagrees partially with the finding; over the past 11 years, the City of Santa Maria has spent $30 million; received $12 million in Tax Increment; has $29.3 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.

City Response: The respondent disagrees partially with the finding; detailed data are available on the amount of money spent on individual projects and the recipients of this money. Detailed data on how these projects have contributed to eliminate blight, however, are not available as it cannot be quantified.

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

City Response: The recommendation will not be implemented because it is not applicable to the City of Santa Maria because the City does not have any projects funded over the past 10 years; the last project funded, the pedestrian bridge, was in 1993.

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

City Response: The recommendation will not be implemented because it is not warranted. Based on information provided to the City, it is unlikely that any areas within the City limits will be considered "blight" according to the new regulations now that the RDA has been eliminated.

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.

City Response: The recommendation will not be implemented because it is not applicable to the City of Santa Maria as the City Council has transferred all local affordable housing assets and functions to the Housing Authority of the County of Santa Barbara at their City Council meeting of January 17, 2012. However, the City of Santa Maria will continue to fund affordable housing projects with CDBG and HOME funding, although these projects are not directly associated with the RDA. The City already publishes information on its website concerning low and moderate income housing that is funded through CDBG, HOME and other grant resources.

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

City Response: The recommendation has not yet been implemented, but will be implemented in the future. The debt retirement schedule is currently under revision and will be provided upon completion.

The above concludes the City's response to the Grand Jury's Report on *Requiem for Redevelopment: The Life and Death of Redevelopment Agencies in Santa Barbara County.* The City respectfully submits this response to the Grand Jury and thanks you again for all your efforts associated with this 2011-12 Grand Jury Report.

RICHARD J. HAYDON
City Manager