

**CITY OF SANTA PAULA  
MEMORANDUM**

To: Honorable Mayor and Members of the City Council

From: Michael K. Rock, City Manager  
Sandra Easley, Finance Director

Subject: Transfer of APNs 103-0-102-245 and 103-0-113-095 to the Santa Paula Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency

Date: September 5, 2017

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**RECOMMENDATION**

Staff recommends that the City Council:

- 1) Approve Resolution 7074 approving the Transfer of APNs 103-0-102-245 and 103-0-113-095 to the Santa Paula Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency

**Presented by:** Sandra K. Easley, Finance Director

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**BACKGROUND**

Pursuant to AB1X26, as modified by the California Supreme Court decision in California Redevelopment Association v. Matosantos, all redevelopment agencies in the State of California were dissolved effective February 1, 2012 (as amended to date, the "Dissolution Law"). The City of Santa Paula exercised its right under AB1X26 and elected not to become the successor agency to the Santa Paula Redevelopment Agency (the "Agency").

As a result, the Santa Paula Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency (the "DLA") was formed by operation of law on February 1, 2012 and is charged with implementing recognized enforceable obligations and winding down the affairs of the former Agency in accordance with the Dissolution Law.

The State Controller's Office ("SCO") issued its Santa Paula Redevelopment Agency Asset Transfer Report (the "SCO Report") dated April, 2015 (attached as Exhibit 1 hereto), which examined transfers made by the former Agency after January 1, 2011. The SCO Report found that the City of Santa Paula ("City") holds certain real property identified as APNs 103-0-102-245 (Paseo Property) and 103-0-113-095 (Tower

Theater) (collectively, the "Property" or "Properties") transferred to it by the former Agency, found such transfers unallowable under the Dissolution Law and ordered the Properties transferred to the DLA.

Notwithstanding the SCO Report, the City has retained title to the Properties for the benefit of the DLA for the purpose of maintaining property and liability insurance on the Properties. The DLA is currently in the process of disposing of the Properties in accordance with Health and Safety Code Section 34177(e) and has requested that the City transfer title to each of the Properties to the DLA immediately prior to such time as the DLA closes the sale of each Property to a third party buyer in accordance with the Dissolution Law.

**ISSUES AND ANALYSIS**

The Properties are required to be transferred to the DLA by the SCO Report and applicable law. Transfer of the Properties will remove the Properties from the insurance roll of the City. DLA staff is diligently pursuing the sale of both Properties to third parties and hopes to close the sale of one or both Properties by the end of the calendar year.

**FISCAL IMPACT**

None

**OPTIONS**

1. Approve Resolution 7074 approving the Transfer of APNs 103-0-102-245 and 103-0-113-095 to the Santa Paula Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency

**ATTACHMENTS:**

Resolution to Transfer Property to DLA  
Final SCO Asset Transfer Review 2015