



Agenda Item No: \_\_\_\_\_

File Code No. 640.06

## CITY OF SANTA BARBARA REDEVELOPMENT AGENCY AGENDA REPORT

**AGENDA DATE:** December 8, 2009

**TO:** Chair and Boardmembers

**FROM:** Housing and Redevelopment Division, Community Development  
Department

**SUBJECT:** Santa Barbara Trust For Historic Preservation Bridge Loan  
Repayment

**RECOMMENDATION:** That the Redevelopment Agency Board:

- A. Accept the repayment of a bridge loan from the Santa Barbara Trust for Historic Preservation; and
- B. Appropriate the \$522,180 in repayment funds in the Fiscal Year 2010 Redevelopment Agency Capital Fund's Project Contingency Account.

### **DISCUSSION:**

On May 1, 2007, the Redevelopment Agency Board approved a bridge loan of \$500,000 to the Santa Barbara Trust for Historic Preservation (Trust) in order to secure a more favorable financing of its purchase of the Jimmy's property located at 126 East Canon Perdido Street. Funding of the loan to the Trust came from the Redevelopment Agency's Project Contingency Account and provided for the payment of interest at a rate tied to the State Local Agency Investment Fund. Both the principal and accrued interest were due in full on the loan maturity date of May 1, 2010, or upon purchase of the Jimmy's property by the State, whichever occurred first.

The Trust completed a number of real estate transactions over the past year which have provided them with the opportunity to pay off the Agency loan prior to the maturity date. The Trust has made full payment of the loan plus accrued interest in the amount of \$522,180. Agency staff is now requesting that the funds be appropriated back into the Redevelopment Agency's Project Contingency Account. The Project Contingency Account is used to provide additional funds to existing capital projects which face cost increases due to changes in project scope or construction cost increases. Any future use of these funds requires Agency Board approval.

**PREPARED BY:** Brian J. Bosse, Housing and Redevelopment Manager

**SUBMITTED BY:** Paul Casey, Community Development Director

**APPROVED BY:** City Administrator's Office