

ORDINANCE NO.

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA ACCEPTING ALL RIGHT, TITLE AND INTEREST TO THE REAL PROPERTY DESCRIBED HEREIN, SUBJECT TO CERTAIN EXISTING LEASEHOLD INTERESTS, AGREEMENTS AND OTHER ENCUMBRANCES ON THE MULTIPLE PARCELS OF REAL PROPERTY, WHICH ARE TOGETHER MOST COMMONLY KNOWN AS "PASEO NUEVO RETAIL CENTER," OWNED BY THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA, AND AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE SUCH AGREEMENTS AND RELATED DOCUMENTS AS NECESSARY TO EFFECTUATE THE TRANSFER OF REAL PROPERTY INTERESTS TO THE CITY OF SANTA BARBARA

**WHEREAS**, in accordance with Assembly Bill No. 1X 26, as amended by Assembly Bill No. 1484 ("Dissolution Act"), the Redevelopment Agency of the City of Santa Barbara ("RDA") dissolved on February 1, 2012 and the Successor Agency to the former RDA assumed all of the authority, rights, powers, duties, and obligations previously vested in the RDA;

**WHEREAS**, an Oversight Board to the Successor Agency to the former RDA has been duly formed as required by the Dissolution Act;

**WHEREAS**, in accordance with California Health & Safety Code Section 34191.5, the Successor Agency prepared, approved and submitted a Long Range Property Management Plan along with two amendments thereto ("LRPMP") to the Oversight Board for review and approval;

**WHEREAS**, the Oversight Board adopted Resolution Nos. 013, 020, 022 and 023 approving the Second Amended LRPMP for the Paseo Nuevo Retail Center and directed the Successor Agency to submit the Second Amended LRPMP to the California Department of Finance ("DOF") for approval;

**WHEREAS**, on May 15, 2015, DOF found that the Second Amended LRPMP submitted by the Successor Agency for the Paseo Nuevo Retail Center contained all of the elements required by Health and Safety Code section 34191.5 and approved the Plan;

**WHEREAS**, upon approval of the Second Amended LRPMP by DOF, the Paseo Nuevo Retail Center real property is transferred to the Community Redevelopment Property Trust Fund of the Successor Agency and, thereafter, the approved Second Amended LRPMP governs the use and disposition of the Paseo Nuevo Retail Center real property;

**WHEREAS**, the approved Second Amended LRPMP provides that the Paseo Nuevo Retail Center real property shall be transferred from the Community Redevelopment Property Trust Fund of the Successor Agency to the City of Santa Barbara and used by the City to fulfill the on-going enforceable obligations created by the Paseo Nuevo Agreements which Agreements include three 75-year ground leases, parking agreements, reciprocal easement agreements and others; provided, however, the City, in accepting ownership of the Paseo Nuevo Parcels, must expressly agree to assume the leases and all other monetary and non-monetary obligations;

**WHEREAS**, at a public meeting on September 18, 2015, the Oversight Board directed the Successor Agency to implement the approved Second Amended LRPMP and to transfer the Paseo Nuevo Retail Center real property to the City of Santa Barbara subject to the conditions contained therein;

**WHEREAS**, the Successor Agency has adopted a resolution conveying all of the right, title and interest in the property described below owned by the Successor Agency to the former RDA to the City of Santa Barbara and authorizing the Executive Director of the Successor Agency to execute, subject to approval as to form by Agency Counsel, all documents necessary to effectuate such conveyance;

**WHEREAS**, Government Code Section 27281 requires that deeds conveying an interest in real property to a governmental agency for public purposes shall only be accepted for recordation with the consent of the agency evidenced by a certificate or resolution of acceptance;

**WHEREAS**, The City of Santa Barbara hereby authorizes the City Administrator, or designee, to execute, subject to approval as to form by the City Attorney, all documents necessary to effectuate such transfer and acceptance of said real property interests by the City of Santa Barbara and consents to the recordation by the City Clerk in the Official Records of all deeds and other documents; and

**WHEREAS**, this Ordinance will demonstrate intent by the Council of the City of Santa Barbara to accept title to the real property described in the respective documents delivered for such purpose, without further action or subsequent resolution.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:**

**SECTION 1.** The above recitations are true and correct.

**SECTION 2.** In accordance with Health and Safety Code section 34191.5, Oversight Board Resolution No. 27, and as approved by the California Department of Finance on May 15, 2015, the Successor Agency has been directed to convey all right, title and interest to the real property described herein to the City of Santa Barbara.

**SECTION 3.** The Successor Agency adopted a resolution to convey all right, title and interest to the property described herein to the City of Santa Barbara and to authorize Paul Casey as the Executive Director of the Successor Agency to take all action necessary to effectuate such conveyance.

**SECTION 4.** The City of Santa Barbara hereby accepts and assumes all right, title and interest to that certain real property described in the Grant Deed from The Successor Agency to the Redevelopment Agency of the City of Santa Barbara to the City of Santa Barbara, described below for reference purposes only, which Grant Deed has been executed and delivered hereunder:

The Paseo Nuevo Retail Center properties, encompassing together approximately 6.86 acres and including:

Those certain portions of Block 175 and Block 193, in the City of Santa Barbara, County of Santa Barbara, State of California, according to the Official Map thereof, and that portion of De La Guerra Street lying between said Blocks 175 and 193 vacated and described in Resolution of the City Council of the City of Santa Barbara recorded on December 15, 1988, as Instrument No. 88-080924 of Official Records of said County, *excepting* that portion of De La Guerra Street described in deed recorded as Instrument No. 89-12331 of Official Records of said County, said lands being more particularly described as follows:

Parcels 1 through 14 of Parcel Map No. 20,504, according to the map thereof recorded on February 24, 1989, filed in Book 42 of Parcel Maps, at Pages 86 through 98, inclusive, records of said County;

And, referred to herein for convenience only as APNs: 037-400-001, 037-400-002, 037-400-003, 037-400-004, 037-400-005, 037-400-006, and 037-400-019.

**SECTION 5.** The City hereby agrees that transfer of the Paseo Nuevo Retail Center real property to the City of Santa Barbara is subject to the City's agreement to fulfill the on-going enforceable obligations created by the Paseo Nuevo Agreements and the City expressly agrees to assume the leases and all other monetary and non-monetary obligations created under such Agreements.

**SECTION 6.** At the termination of the leases, the City of Santa Barbara, as property owner, shall evaluate the needs of the property and assess its condition as a South Coast retail shopping center.

**SECTION 7.** If the City of Santa Barbara determines to dispose of its ownership interest the Paseo Nuevo Retail Center Real Property, the City shall enter into a compensation agreement pursuant to California Health & Safety Code 34180(f)(1) with the appropriate taxing entities.

**SECTION 8.** In accordance with the provision of Section 521 of the Charter of the City of Santa Barbara, the City Council of the City of Santa Barbara does hereby agree to be bound to the below described Leases and other agreements for their remaining terms.

**SECTION 9.** Certain portions of the property comprising Paseo Nuevo Retail Center are subject to certain existing leasehold interests and other agreements and encumbrances as described in the various agreements listed below to which the City hereby agrees to be bound as applicable:

1. Ground Lease, dated February 24, 1989, between the Redevelopment Agency of the City of Santa Barbara, as landlord ("**Original Landlord**"), and Santa Barbara Associates, as tenant ("**Original Tenant**");
2. First Amendment to Ground Lease, dated February 24, 1989, between Original Landlord and Original Tenant;
3. Second Amendment to Ground Lease, dated as of February 24, 1989, between Original Landlord and Original Tenant;
4. Third Amendment to Ground Lease, dated as of September 18, 1990, between Original Landlord and Original Tenant;
5. Confirmatory Assignment and Assumption Agreement, dated June 7, 1991 between Original Tenant and PNSC, L.P. ("**PNSC**");
6. Supplement to Lease, dated as of June 26, 1996, between Original Landlord and PNSC;
7. Assignment and Assumption of Ground Lease, dated June 26, 1996 between PNSC and Paseo Nuevo Associates ("**Paseo**");
8. Assignment and Assumption of Ground Leases, dated as of May 30, 2002, between Paseo and I&G Direct Real Estate 3 ("**I&G**");
9. Assignment and Assumption of Ground Lease, dated July 15, 2015 between I&G and Paseo Nuevo Owner LLC.
10. Construction, Operation and Reciprocal Easement Agreement, dated February 24, 1989, by and among the Redevelopment Agency of the City of Santa Barbara, Santa Barbara Associates, Carter Hawley Hale Stores and Nordstrom, Inc., and recorded February 24, 1989 as Instrument 89-012333 in Official Records of Santa Barbara County.
11. Confirmatory Assignment and Assumption of Construction, Operation, and Reciprocal Easement Agreement, dated February 24, 1989, between Santa Barbara Associates and PNSC, L.P. and recorded as Instrument No. 91-037605 in Official Records of Santa Barbara County.

12. Assignment and Assumption of Reciprocal Easement Agreement, dated June 27, 1996, between PNSC, L.P. and Paseo Nuevo Associates, and recorded June 28, 1996 as Instrument No. 96-039824 in Official Records of Santa Barbara County.
13. Assignment and Assumption of Parking Agreements, dated May 30, 2002, between Paseo Nuevo Associates and I&G Direct Real Estate 3, LP, and recorded May 30, 2002 as Instrument No. 2002-0052392 in Official Records of Santa Barbara County.
14. Assignment and Assumption of Recorded Agreements, dated as of July 15, 2015, between I&G Direct Real Estate 3, LP and Paseo Nuevo Owner LLC, and recorded August 17, 2015 as Instrument No. 2015-0043756 in Official Records of Santa Barbara County.
15. Paseo Nuevo Parking Agreement, dated as of November 1, 1987, by and among the Redevelopment Agency of the City of Santa Barbara, City of Santa Barbara, Santa Barbara Associates, Carter Hawley Hale Stores, Inc., and Nordstrom, Inc., as amended by the Amendment to Parking Covenants and Parking Agreement, dated as of February 24, 1989 and recorded February 24, 1989 as Instrument No. 89-012341 in Official Records of Santa Barbara County.
16. Paseo Nuevo Lot 1 Parking Covenants, Conditions and Restrictions Agreement, dated February 24, 1989, by and among the Redevelopment Agency of the City of Santa Barbara, Santa Barbara Associates, Carter Hawley Hale Stores, Inc. and Nordstrom, Inc. as amended by the Amendment to Parking Covenants and Parking Agreement, dated as of February 24, 1989, and recorded February 24, 1989 as Instrument No. 89-012341 in Official Records of Santa Barbara County.
17. Paseo Nuevo Lot 2 Public Parking Covenants, Conditions and Restrictions Agreement, dated February 24, 1989, by and among the Redevelopment Agency of the City of Santa Barbara, the City of Santa Barbara, Santa Barbara Associates, Carter Hawley Hale Stores, Inc. and Nordstrom, Inc., as amended by the Amendment to Parking Covenants and Parking Agreement, dated as of February 24, 1989, and recorded February 24, 1989 as Instrument No. 89-012341 in Official Records of Santa Barbara County.
18. Paseo Nuevo Lot 10 Public Parking Covenants, Conditions and Restrictions Agreement, dated February 24, 1989, by and among the Redevelopment Agency of the City of Santa Barbara, the City of Santa Barbara, Santa Barbara Associates, Carter Hawley Hale Stores, Inc. and Nordstrom, Inc., as amended by the Amendment to Parking Covenants and Parking Agreement, dated as of February 24, 1989, and recorded February 24, 1989 as Instrument No. 89-012341 in Official Records of Santa Barbara County.
19. Confirmatory Assignment and Assumption of Parking Agreements, dated as of June 7, 1991, between Santa Barbara Associates and PNSC, L.P., and recorded

June 14, 1991 as Instrument No. 91-037606 in Official Records of Santa Barbara County.

20. Confirmatory Assignment and Assumption of Recorded Agreements, dated as of June 7, 1991, between Santa Barbara Associates and PNSC, L.P., and recorded June 14, 1991 as Instrument No. 91-037607 in Official Records of Santa Barbara County.
21. Assignment and Assumption of Parking Agreements, dated as of June 27, 1996, between PNSC, L.P. and Paseo Nuevo Associates, and recorded July 10, 1996 as Instrument No. 96-041655 in Official Records of Santa Barbara County.
22. Assignment and Assumption of Parking Agreements, dated May 30, 2002, between Paseo Nuevo Associates and I&G Direct Real Estate 3, LP, and recorded May 30, 2002 as Instrument No. 2002-0052392 in Official Records of Santa Barbara County.
23. Assignment and Assumption of Parking Agreements, dated as of July 15, 2015, between I&G Direct Real Estate 3, LP and Paseo Nuevo Owner LLC, and recorded August 17, 2015 as Instrument No. 2015-0043757 in Official Records of Santa Barbara County.

**SECTION 10.** The City of Santa Barbara hereby consents to the recordation of the Grant Deed in the Official Records, County of Santa Barbara.

RECORDING REQUESTED BY  
AND FOR THE BENEFIT OF

**CITY OF SANTA BARBARA**

**NO FEE DOCUMENT**  
**Gov't Code 27383**

WHEN RECORDED MAIL TO

CITY OF SANTA BARBARA  
Real Property Section/Public Works Dept.  
P.O. Box 1990  
Santa Barbara, California 93102-1990

NO TRANSFER TAX DUE per R&T Code 11922  
Grantee is a Government Agency

SPACE ABOVE THIS LINE FOR RECORDER'S USE

037-400-001, 037-400-002, 037-400-003, 037-400-004, 037-400-005, 037-400-006, and 037-400-019  
APNs

City Resolution #

## GRANT DEED

**FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,**

**THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA**, a public entity and successor in interest to the Redevelopment Agency of the City of Santa Barbara, does hereby grant to the **CITY OF SANTA BARBARA**, a municipal corporation, that certain real property in the City of Santa Barbara, County of Santa Barbara, State of California, described as follows:

Those certain portions of Block 175 and Block 193, in the City of Santa Barbara, County of Santa Barbara, State of California, according to the Official Map thereof, and that portion of De La Guerra Street lying between said Blocks 175 and 193 vacated and described in Resolution of the City Council of the City of Santa Barbara recorded on December 15, 1988, as Instrument No. 88-080924 of Official Records of said County, *excepting* that portion of De La Guerra Street described in deed recorded as Instrument No. 89-12331 of Official Records of said County, said lands being more particularly described as follows:

Parcels 1 through 14 of Parcel Map No. 20,504, according to the map thereof recorded on February 24, 1989, filed in Book 42 of Parcel Maps, at Pages 86 through 98, inclusive, records of said County.

And, referred to herein for convenience only as Santa Barbara County Assessor's Parcel Numbers: APNs: 037-400-001, 037-400-002, 037-400-003, 037-400-004, 037-400-005, 037-400-006, and 037-400-019.

The Grantee herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of sex, marital status, race, color, religion, creed, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall grantee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The forgoing covenants shall run with the land.



