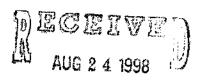


City of Santa Paula



970 VENTURA STREET SANTA PAULA, CALIFORNIA 93061 Mailing Address: P.O. Box 569 Phone: 805 525-4478

FAX: 805 525-6278

August 20, 1998

CONFIDENTIAL

The Honorable Judge Campbell Presiding Judge of the Superior Court County of Ventura 800 South Victoria Avenue Ventura, California 93009

Dear Judge Campbell:

At the August 17, 1998, Council Meeting of the Santa Paula City Council, the City Council approved as their response to the 1997/98 Ventura County Grand Jury Final Supplemental Report, "County of Ventura Redevelopment Study." Please find our response attached.

If you have any concerns with our response please do not hesitate to call.

Peter A. Cosentini

City Manager

PAC/nh

Attachment: Letter of August 3, 1998

c: Stella Spray, Foreman of the Ventura County Grand Jury

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City of Santa Paula

970 VENTURA STREET SANTA PAULA, CALIFORNIA 93061 Mailing Address: P.O. Box 569 Phone: 805 525-4478

FAX: 805 525-6278

August 3, 1998

The Honorable Presiding Judge of the Superior Court 800 S. Victoria Avenue
Ventura CA 93009

Dear Presiding Judge:

On behalf of the Redevelopment Agency of the City of Santa Paula, I would like to thank the County of Ventura Grand Jury for this opportunity to comment upon your Final Supplemental Report entitled County of Ventura Redevelopment Study delivered to us by letter dated June 29, 1998. We have had an opportunity to review the report and would like to comment upon those items which related directly to the Santa Paula Redevelopment Agency, and to your recommendations. Before making our comments, however. I would like to express our appreciation to the Grand Jury for tackling the somewhat arcane but very important subject of California redevelopment law and financing. As members of the Redevelopment Agency Board, and as City Council members as well, we constantly seek to provide basic services to Santa Paula residents utilizing either stagnant or decreasing revenue sources. In this regard especially, we note that even though the State of California "raided" City, County and Redevelopment Agency treasuries during the last recession to establish the Educational Revenue Augmentation Fund, there has been precious little discussion of utilizing some of the current four billion dollar surplus to reimburse local government. Redevelopment is an important tool local government can use to provide some categories of service (especially economic development and housing activities); however, it is sometimes maligned and often misunderstood. Your efforts to understand and critique redevelopment practices in Ventura County will expand the general knowledge, and acceptance, of the redevelopment process in our County and we thank you for these efforts.

We would, however, make some minor corrections to your comments about redevelopment activities in Santa Paula. You correctly state that our plan for redevelopment is to refit historical buildings; however, our work program includes far more. In addition to refitting historic buildings, we are using our redevelopment funds to improve the downtown streets and sidewalks, to improve public parks, as an economic development tool, to construct drainage improvements and to assist in job creation in

The Honorable Presiding Judge of the Superior Court August 3, 1998 Page 2

our community. The Economic Development Administration grant which our redevelopment agency received actually was used to pay approximately one-third of the \$3 million cost of infrastructure improvements in the downtown and depot areas of our city. The matching fund for refurbishing stores which you mention will actually be fully funded by our own redevelopment funds and is now only in the planning stage. We anticipate this program becoming operational in the next month. Finally, please note that the program which includes light standards, street signs and decorative intersections actually has been completed. Other than these few comments, your description of Santa Paula's redevelopment activities is accurate.

Your recommendation, based upon your second conclusion, is interesting and should be further examined; however, we would note that one of the reasons redevelopment has been so successful in California is that individual agencies have been able to operate at the local level. Introducing a state-wide entity, even one as apparently benign as a mediation board, might further embroil local redevelopment agencies in state-wide politics and policy considerations, thereby diluting their focus on local economic development and rejuvenation of blighted areas. An alternative plan could involve amending the Health and Safety Code to provide financial incentives for redevelopment agencies to work together to their mutual benefit.

In closing, on behalf of the Santa Paula Redevelopment Agency, let me again thank you for the efforts you took to research and report on the status of our agency. Should you have any questions or additional comments, please do not hesitate to contact me at (805) 933-4200.

Peter A. Cosetini

City Manager

PAC:jh

cc: The Honorable Foreman of the Ventura County Grand Jury