



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Community Services
Department No.: 057
For Agenda Of: July 11, 2023
Placement: Set Hearing for
July 18, 2023
Estimated Tme: 10 minutes
Continued Item: No
If Yes, date from: N/A
Vote Required: Majority

TO: Board of Supervisors
FROM: Department George Chapjian, Community Services Director (805) 568-2467
Director:
Contact Info: Andrew Myung, Chief Financial Officer (805) 568-3526
SUBJECT: Fiscal Year 2023-24 Orcutt and Providence Landing Community Facilities
Districts Special Tax Levy.

County Counsel Concurrence

As to form: Yes

Sheriff Concurrence

As to form: Yes

Public Works Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Fire Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors, on July 11, 2023, set a hearing on July 18, 2023 to consider the Fiscal Year 2023-2024 Special Tax Levy for the County of Santa Barbara Community Facilities District No. 2002-1 (Orcutt Community Plan) and for the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing).

On July 18, 2023, your Board's actions should include the following:

- a) Receive the Administration Reports summarizing the Proposed Fiscal Year 2023-2024 Special Tax Levy for the County of Santa Barbara Community Facilities District No. 2002-1 (Orcutt Community Plan) (Attachment 1) and for the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) (Attachment 2);
- b) Adopt a Resolution Levying Special Taxes within the County of Santa Barbara Community Facilities District No. 2002-1 (Orcutt Community Plan) (Attachment 3);
- c) Adopt a Resolution Levying Special Taxes within the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) (Attachment 4);

- d) Certify the list of all parcels within the County of Santa Barbara Community Facilities District No. 2002-1 (Orcutt Community Plan) subject to the special tax levy including the amount of the tax to be levied on each parcel for Fiscal Year 2023-2024 and direct the Clerk of the Board or other designated official to file with the County Auditor the certified list (Appendix B of Attachment 1);
- e) Certify the list of all parcels within the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) subject to the special tax levy including the amount of the tax to be levied on each parcel for Fiscal Year 2023-2024 and direct the Clerk of the Board or other designated official to file with the County Auditor the certified list (Appendix B of Attachment 2); and
- f) Determine that the above recommended actions are not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline Sections 15378(b)(4) and 15378(b)(5) because the actions consist of organizational or administrative actions that will have no direct physical impact on the environment and the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project.

Summary Text:

There are two community facilities districts located within the County: (1) Orcutt Community Facilities District (OCFD) and (2) Providence Landing Community Facilities District (PLCFD). A community facilities district is a legally constituted governmental entity established under the Mello-Roos Community Facilities Act of 1982, (California Government Code sections 53311 et seq.) as amended, for financing capital facilities and services.

The Orcutt Community Facilities District No. 2002-1 (OCFD) was approved by the Board of Supervisors on October 8, 2002 for the purpose of levying a special tax on residential and commercial properties in the Orcutt Planning Area located immediately south of the City of Santa Maria. Specifically, the special tax is used to offset operational and maintenance service costs associated with the buildout of the Orcutt Community Plan. The special tax funds four areas of community services: (1) police/sheriff protection services, (2) fire protection and suppression services, (3) maintenance of parks, parkways and open space, and (4) flood and storm protection services. The special tax is levied on three categories of property: (1) developed property, (2) graded property, and (3) undeveloped property. Developed property is further delineated as (a) single family, (b) multi-family, (c) non-retail/commercial/industrial, and (d) retail commercial property.

The Providence Landing Community Facilities District No. 2004-1(PLCFD) was formed on January 11, 2005 within the Providence Landing residential development located along the southern portion of Vandenberg Village and north of and adjacent to the Lompoc city limits for the express purpose of funding the maintenance of a park. Specifically, the PLCFD is authorized to levy an annual special tax to finance public park maintenance and operation. The special tax is levied on two types of property: (1) Homeowner Property and (2) Residential Property.

Pursuant to California Government Code section 53340, subdivision (b), each year on or before August 10, the Board must determine the amount of the special tax to be levied on each parcel in the community facilities district for the applicable tax year, and adopt a resolution levying the amounts of the special

tax. In addition, the Clerk of the Board must file with the County Auditor, a certified list of all parcels subject to the special tax levy including the amount of the tax to be levied on each parcel for the applicable tax year. (Cal. Govt. Code, § 53340, subd. (b).)

Background:

Orcutt Community Facilities District: The OCFD is authorized to levy an annual special tax to finance the following: (1) police/sheriff protection services, (2) fire protection and suppression services, (3) maintenance of parks, parkways, and open space, (4) flood and storm protection services, and (5) administration. Specifically, the special tax is used to offset operational and maintenance service costs associated with the buildout of the Orcutt Community Plan. Services paid for through the OCFD are provided to the community based upon established service ratio standards that vary by the type of service. The OCFD provides funding for maintenance of parks and open space, as well as flood and storm protection services via regional basins. For Fiscal Year 2023-2024, the Community Services Department, Parks Division, recommended a budget of \$135,600 from the Parks general fund operating budget for continued maintenance of the Orcutt Community Park. This funding allocation is in addition to the special taxes levied and collected, as the CFD does not fully cover the cost of maintaining parks and open spaces within the Orcutt Community Facilities District.

The Fiscal Year 2023-2024 special tax requirement for the Orcutt Community Facilities District was calculated by the independent firm of David Taussig & Associates, Inc. The methodology used to calculate and apportion the special tax is based on the Rate and Method of Apportionment specified in Exhibit A to Resolution 02-353 (Attachment 5), which specifies the maximum special taxes to be levied within the community facility district. Resolution 02-353 (Attachment 5), which created OCFD No. 2002-1 and authorized the levy of the special tax, directs that the special tax rate be increased annually by the greater of either the change in the Los Angeles Urban Consumer Price Index (CPI) during the twelve months prior to December of the previous fiscal year, or two percent (2%). For the twelve months prior to December 2022, the increase in the Los Angeles Urban CPI was 4.93%. Accordingly, a 4.93% increase to the special tax rate is proposed for Fiscal Year 2023-2024 as illustrated in the table below and within the attached Administration Report Fiscal Year 2023-2024, County of Santa Barbara CFD No. 2002-1:

Parcel Type	FY 2022-2023 Actual Special Tax	FY 2023-2024 Recommended Special Tax	Amount of Increase (4.93%)
<i>Developed Property</i>			
Single Family	\$768.70 per unit	\$806.56 per unit	\$37.86
Multi-Family	\$522.72 per unit	\$548.47 per unit	\$25.75
Non-Retail Commercial/Industrial	\$0.74564/sq.ft.	\$0.78237/sq.ft.	\$0.03673
Retail Commercial	\$0.53042/sq.ft	\$0.55654/sq.ft	\$0.02612
<i>Graded Property</i>	\$50 per lot	\$50 per lot	\$0
<i>Undeveloped Property</i>	\$0 per lot	\$0 per lot	\$0

Providence Landing Community Facilities District: On July 9, 2002, the Board of Supervisors approved the Providence Landing Residential Project. One of the conditions of approval stated the applicant was responsible for initiating the formation of a Community Facilities District (CFD). The Providence Landing CFD would assess all of the new single family detached homes located within the Providence Landing subdivision project for the cost of maintaining and operating a community park. On June 22, 2004, the Board of Supervisors approved the final map, accepted easements and approved and executed an agreement with the developer to create the park and approved and executed an agreement with the developer to have the YMCA maintain the park. On August 10, 2004, the Board adopted Resolution 04-225 commencing the process of creating the Providence Landing Community Facilities District. On January 11, 2005, the Board adopted Resolution No. 05-007 (Attachment 6) forming the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) within the proposed Providence Landing residential development and authorizing the levy of the special tax within the CFD. On January 18, 2005, the Board adopted Ordinance No. 4562 (Attachment 7) authorizing the levying of special taxes within the Providence Landing Community Facilities District.

On August 25, 2009, the Board accepted the conveyance of the park to the County. The Home Owner Association for Providence Landing assumed maintenance and operations of the park in December 2009.

The Fiscal Year 2023-2024 special tax requirement for the Providence Landing Community Facilities District was calculated by the independent firm of David Taussig & Associates, Inc. The methodology used to calculate and apportion the special tax is based on the Rate and Method of Apportionment specified in Exhibit A to Resolution 05-007 (Attachment 6). The Rate and Method of Apportionment specifies the maximum special taxes to be levied within the community facility district based on the expenses of providing services within the district, which for Providence Landing CFD is the cost of maintaining and operating the park. For the twelve months prior to December 2021, the increase in the Los Angeles Urban CPI was 4.93%. However, no increase to the special tax rate is proposed for Fiscal Year 2023-2024 as the CFD has built up adequate fund balance. See illustrated in the table below for rates:

Parcel Type	FY 2022-2023 Actual Special Tax	FY 2023-2024 Recommended Special Tax
<i>Developed Property</i>		
Homeowner Property	\$672.00 per lot	\$672.00 per lot
Residential Property	\$0 per lot	\$0 per lot

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

Orcutt CFD: If the proposed special tax levy is adopted, 1,187 parcels will be levied, generating approximately \$941,000 for the costs of fire protection and suppression services; police/sheriff protection services; maintenance of parks, parkways and open space; flood and storm protection services and CFD administrative expenses (see Table 3 below). This is an increase of \$113,400 from Fiscal Year 2022-2023.

Table 3. Special tax funds estimated to be allocated as follows:

	Estimated	%
<i>Tax Value</i>		
Other Administrative costs	9,000	1%
Orcutt CFD Fire	439,400	46%
Orcutt CFD Sheriff	323,300	34%
Orcutt CFD Parks	135,600	15%
Orcutt CFD Flood Control	33,700	4%
Total	941,000	100%

Providence Landing CFD: If the proposed special tax levy is adopted, 267 parcels will be levied, generating approximately \$179,000 for park operations and maintenance. This per parcel levy has remained consistent at \$672 per parcel since Fiscal Year 2006-2007.

Special Instructions:

After July 18, 2023 Hearing Date:

Please send a copy of the minute order and signed Resolutions in attention to: Eva Camarena, Community Services.

Attachments:

- Attachment 1 – Administration Report Fiscal Year 2023-2024, County of Santa Barbara CFD No. 2002-01
- Attachment 2 – Administration Report Fiscal Year 2023-2024, County of Santa Barbara CFD No. 2004-01
- Attachment 3 – Resolution Levying Special Taxes within the County of Santa Barbara Community Facilities District (CFD) 2002-1
- Attachment 4 – Resolution Levying Special Taxes within the County of Santa Barbara Community Facilities District (CFD) 2004-1
- Attachment 5 – Resolution No. 02-353
- Attachment 6 – Resolution No. 05-007
- Attachment 7 – Ordinance No. 4562
- Attachment 8 – PowerPoint Presentation