



**FISCAL IMPACT ANALYSIS
RICHARDS RANCH PROJECT
SANTA MARIA, CA**

Prepared for:
MD3 Investments

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SUBMITTED BY:



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APPENDIX : City/County Fiscal Impact Model

Chapter 1: Introduction

This analysis provides a summary of the potential fiscal impacts of the proposed Richards Ranch project (“Project”). Consistent with Local Agency Formation Commission (LAFCO) fiscal impact standards, the analysis primarily focuses on the fiscal impacts to the City of Santa Maria (“City”). However, the analysis also evaluates fiscal impacts to County of Santa Barbara (“County”), given that the project would still generate some costs and revenues to the County, even though the project would be located in an incorporated city.

Purpose of the study

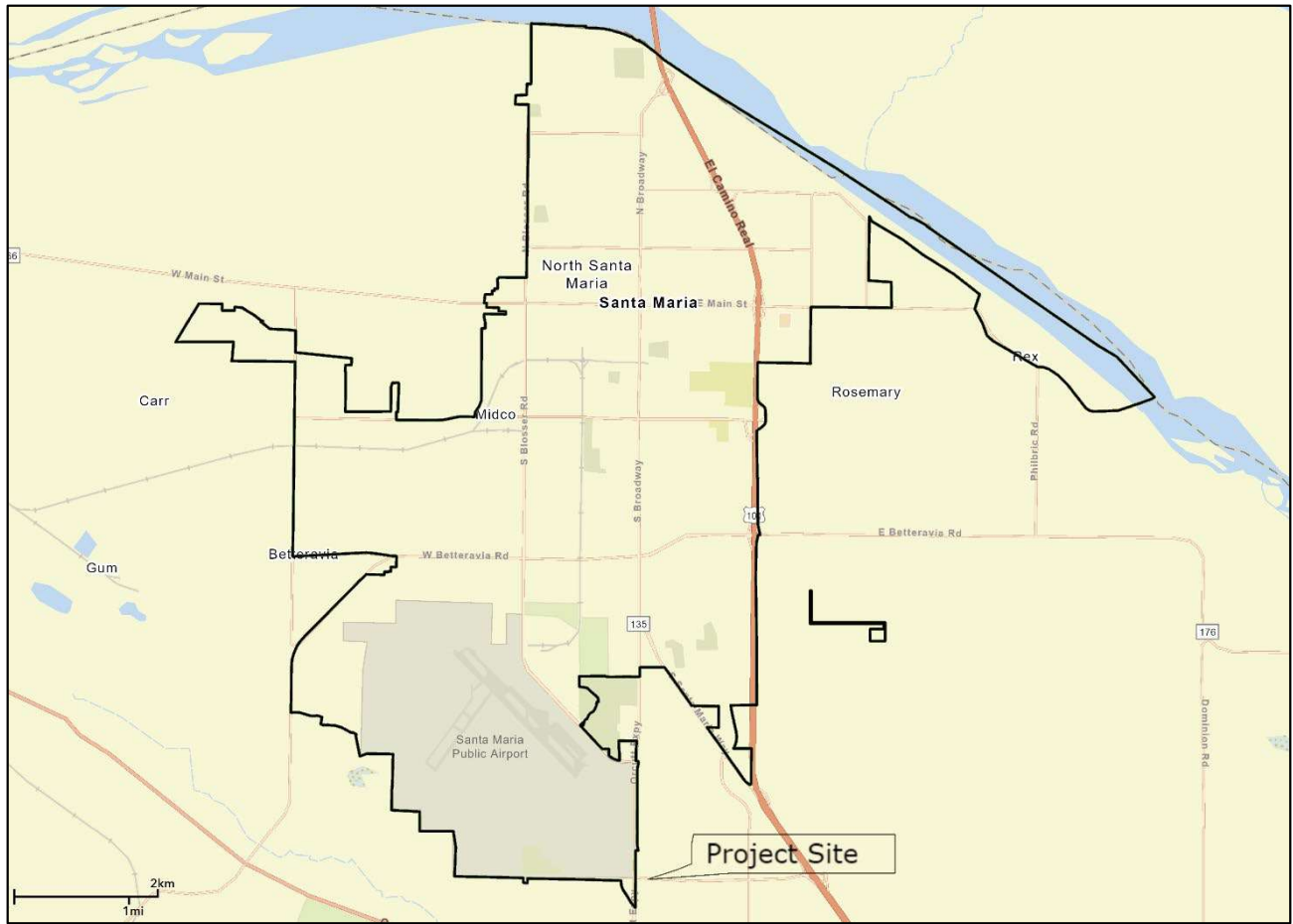
The Local Agency Formation Commission (LAFCO) for the County requires that a Fiscal Impact Analysis (Analysis) be prepared when a jurisdiction is affected by a proposed change such as the annexation proposed for this Project. In keeping with the standard LAFCO guidelines, the cost and revenue categories included in this report reflect costs and revenues associated with municipal functions that would be absorbed by the City upon annexation of the Project. Within the City’s budget, this includes amounts for a broad range of General Fund-related activities. The intent is to align cost categories with corresponding revenue sources, tabulating the effects on each due to the annexation. Additional discussion about the conceptual basis for the figures used in the analysis is provided in table footnotes.

Figure 1-1 below shows the existing City boundaries and the location of the Project.

Organization of the Report

Chapter 2 includes a description of the Project’s proposed land uses, including key assumptions used as inputs to the fiscal impact projections. Chapter 3 provides a summary of the projected net fiscal impact to the County and City, respectively. Finally, Chapter 5 summarizes key fiscal impact analysis assumptions, which are documented in the supporting Appendix.

FIGURE 1-1. REGIONAL LOCATION – CITY OF SANTA MARIA BOUNDARIES AND PROJECT SITE



Source: ESRI.

— City Boundaries

Chapter 2: Project Description

The discussion below summarizes the proposed land uses for the Project, which would be developed with a mix of residential and commercial uses.

Residential Land Uses

The proposed residential land uses include a mix of 1-, 2-, and 3-bedroom apartments, along with for-sale townhomes. The average values per dwelling unit (apartment and townhomes) are based on market research completed by the applicant. The projected resident population is based on the existing average household size in the City, calibrated to the size of the proposed dwelling units. See Table 1 below for a summary of residential land use assumptions.

TABLE 1. RESIDENTIAL LAND USE ASSUMPTIONS

| Land Use | Number of Dwelling Units (DU) | Value/DU | Total Assessed Value | Average Household (HH) Size | Total Population |
|-------------------------|-------------------------------|-----------|----------------------|-----------------------------|------------------|
| <i>Apartments</i> | | | | | |
| 1-bedroom | 120 | \$470,000 | \$56,400,000 | 1.50 | 180 |
| 2-bedroom | 176 | 640,000 | 112,640,000 | 2.00 | 352 |
| 3-bedroom | 88 | 700,000 | 61,600,000 | 2.50 | 220 |
| Apartment Total / Avg | 384 | \$600,625 | \$230,640,000 | 1.96 | 752 |
| Townhomes | 100 | \$725,000 | \$72,500,000 | 3.50 | 350 |
| Residential Total / Avg | 484 | \$626,322 | \$303,140,000 | 2.28 | 1,102 |

Source: Applicant, The Natelson Dale Group, Inc. (TNDG).

Commercial Land Uses

The proposed commercial land uses include a commercial-retail center and a mini-storage facility. The commercial-retail center would include a mix of retail and service tenants consistent with this size and type of center. Estimated property assessed values for both components are based on market research completed by the applicant. In addition, estimated employees are based on standard employee density factors associated with the proposed land uses. See Table 2 below for a summary of commercial land use assumptions.

TABLE 2. COMMERCIAL LAND USE ASSUMPTIONS

| Commercial Land Use | Building Sq. Ft. | Employees/ 1,000 Sq. Ft. | Employees | Assessed Value | Assessed Value (\$000s) |
|-------------------------|------------------|--------------------------|-----------|----------------|-------------------------|
| Commercial Center Space | 93,863 | 2.00 | 188 | \$410/SF | \$38,484 |
| Mini Storage | 101,265 | N/A | 3 | 150/SF | 15,190 |
| Total / Avg | 195,128 | 0.98 | 191 | \$286/SF | \$55,773 |

Source: Applicant, The Natelson Dale Group, Inc. (TNDG).

Chapter 3: Net Fiscal Impacts to County of Santa Barbara and City of Santa Maria

This chapter provides a summary of the net fiscal impacts to the County and City based on the project assumptions in both scenarios, as described above. Table 3, on the following page, provides a summary of the net fiscal impacts to the County based on “low” and “high” scenarios. The scenarios reflect differing assumptions related to on-site and resident-generated taxable sales¹. Following, Table 4, on page 7 provides a summary of the net fiscal impacts to the City based on the same “low” and “high” scenarios.

As shown in Table 3, the project would generate a net fiscal surplus (all funds combined) to the County of about \$695,000 (“low” scenario) to about \$731,000 (“high” scenario) per year.

As shown in Table 4, the project would generate a net fiscal surplus (all funds combined) to the City of about \$692,000 (“low” scenario) to about \$854,000 (“high” scenario) per year.

¹ See discussion on page 11. In addition, it should be noted that the weighted average of taxable sales per square feet of retail space assumes that the proposed 93,863 square foot commercial center could potentially include a midsize grocery market or other uses that do not generate taxable sales (e.g., service uses). However, if a grocer (or other non-sales tax generating uses) is not included, sales tax revenue projections would likely be underestimated in this analysis (considering grocers typically generate less taxable sales per SF given that most food items are non-taxable).

TABLE 3. COUNTY OF SANTA BARBARA FISCAL IMPACT SUMMARY

| County Fund | Scenario | |
|---|-------------------------|-------------------------|
| | Low | High |
| General Fund Revenue | | |
| Property Tax | \$ 385,732 | \$ 385,732 |
| Property Tax In-Lieu of VLF | 240,176 | 240,176 |
| Property Transfer Tax | 16,121 | 16,121 |
| Fines, Forfeitures, and Penalties | 12,048 | 12,048 |
| Intergovernmental Revenue-State | 651 | 651 |
| Intergovernmental Revenue-Federal | 4,490 | 4,490 |
| Public Safety Sales Tax | 159,722 | 196,199 |
| Interest Income | 3,852 | 3,852 |
| <i>Total Revenue</i> | <u>\$822,793</u> | <u>\$859,270</u> |
| General Fund Expenditures | | |
| Policy and Executive | \$ 27,775 | \$ 27,775 |
| Public Safety | 209,999 | 209,999 |
| Health and Human Services | 92,766 | 92,766 |
| Community Resources and Public Facilities | 30,760 | 30,760 |
| General Government and Support Services | 64,958 | 64,958 |
| General County Programs | 2,989 | 2,989 |
| <i>Total Expenditures</i> | <u>\$429,247</u> | <u>\$429,247</u> |
| Net Fiscal Impact – General Fund | \$393,546 | \$430,023 |
| Fire Fund | | |
| Revenue | \$301,391 | \$301,391 |
| Expenditures | - | - |
| <i>Net Fiscal Impact</i> | <u>\$301,391</u> | <u>\$301,391</u> |
| All Funds | | |
| Revenue | \$ 1,124,184 | \$ 1,160,660 |
| Expenditures | 429,247 | 429,247 |
| Annual Recurring Surplus/Deficit | <u>\$694,937</u> | <u>\$731,414</u> |
| Source: TNDG, Appendix, Tables 1a and 1b. | | |

TABLE 4. CITY OF SANTA MARIA FISCAL IMPACT SUMMARY

| Operating Fund Category | Scenario | |
|---|--------------------|--------------------|
| | Low | High |
| General Fund – Annual Recurring Revenue | | |
| Property Tax | \$429,968 | \$429,968 |
| Property Tax In Lieu of VLF | 337,380 | 337,380 |
| Sales and Use Tax | 378,768 | 465,270 |
| 1/2% Sales Tax - Public Safety | 1,311 | 1,610 |
| Franchises | 51,266 | 51,266 |
| Business Licenses | 13,721 | 13,721 |
| Property Transfer Tax | 16,121 | 16,121 |
| Criminal Fines & Penalties | 1,623 | 1,623 |
| Motor Vehicle License Fees | 1,122 | 1,122 |
| Homeowners' Tax Relief | 502 | 502 |
| Property Tax In Lieu | 945 | 945 |
| Recreation Programs | 1,955 | 1,955 |
| Recreation Income | 3,133 | 3,133 |
| Aquatics | 2,851 | 2,851 |
| Other Miscellaneous Revenue | 883 | 883 |
| Measure U Transaction & Use Tax | 327,634 | 402,459 |
| Interest | 12,712 | 12,712 |
| <i>Total Annual Recurring General Fund Revenue</i> | <u>\$1,581,897</u> | <u>\$1,743,523</u> |
| Other Operating Funds – Annual Recurring Revenue | | |
| Library Fund (Fund 009) | \$1,557 | \$1,557 |
| Traffic Safety Fund (Fund 013) | 3,686 | 3,686 |
| County Measure A (Fund 068) | 74,286 | 74,286 |
| Public Transit Fund (Fund 066 & 067) | 63,844 | 63,844 |
| Interest | 2,084 | 2,084 |
| <i>Total Annual Recurring Other Funds Revenue</i> | <u>\$145,458</u> | <u>\$145,458</u> |
| Grand Total - Annual Recurring Revenue | \$1,727,355 | \$1,888,981 |
| Annual Recurring Costs | | |
| Police | \$547,117 | \$547,117 |
| Fire | 241,455 | 241,455 |
| Public Works | 39,620 | 39,620 |
| Recreation & Parks | 149,154 | 149,154 |
| General Government | 47,890 | 47,890 |
| Library Fund | 10,110 | 10,110 |
| <i>Total Annual Recurring Costs</i> | <u>\$1,035,345</u> | <u>\$1,035,345</u> |
| Net Surplus / (Deficit) | \$692,010 | \$853,636 |
| Source: TNDG, Appendix, Tables 2a and 2b. | | |

Chapter 4: Fiscal Impact Analysis Assumptions

The general approach to conducting the fiscal impact assessment includes the following steps:

1. Establishing baseline population, employment, and similar conditions that apply to the annexing city and county, including a determination of appropriate city and county “service populations,” in this case a combination of residents and workers.
2. Compiling data on costs and revenues for relevant categories of City and County services from budget documents.
3. Determining and applying methods for projecting these costs and revenues within a process appropriate for the analysis of the Project-specific fiscal impacts.

The report appendix provides all referenced tables in this chapter.

Baseline Population and Employment

Population and employment figures applied to this analysis are shown in Table 26 for the City and County.

County and City Revenue and Cost Data

Tables 14 show revenues for relevant line items in the County’s Budget, along with the factors that are derived for projecting the annexation area service population’s theoretical effects on these revenues and costs, which are used as additional inputs in the analysis provided in the Appendix. The same data for Expenditures is shown in Tables 15 to 16.

Tables 9 and 10 show revenues for relevant line items in the City’s Budget, along with the factors that are derived for projecting the annexation area’s service population’s theoretical effects on these revenues and costs, which are used as additional inputs in the analysis in the Appendix. The same data for Expenditures is shown in Tables 11 to 12.

Fiscal Impact Assumptions Related to Projected Revenues

Santa Barbara County

As shown in Appendix A, Table 1, property tax-related and Public Safety Sales Tax taxes revenues account for about 97.7% of County General Fund revenues.

Assessed Valuation and Property Tax

Assessed valuation assumptions are provided in Tables 3 (residential component) and 4 (commercial component). As discussed above, proposed residential land uses include a mix of 1-, 2-, and 3-bedroom apartments, along with for-sale townhomes. The average values per dwelling unit (apartment and townhomes) are based on market research completed by the applicant. As shown on Table 3, the apartment component is valued at approximately \$230.6 million, while the townhomes are valued at approximately \$72.5 million (based on an average selling price of \$725,000 per unit). Table 4 shows the projected assessed value assumptions per square feet of building space for commercial (\$410/sq. ft) and mini-storage (\$150/sq. ft.) land uses. Estimated property assessed values for both commercial components are based on market research completed by the applicant.

Table 17 shows property tax projections based on the 1.0% general property tax rate, along with the County General Fund share of the basic property tax. These projections take into account the portion of the County General Fund share of the basic property tax that would be transferred to the City. The table also shows the estimated County Fire District share of the basic property tax, post annexation. Consistent with annexations in other counties, the analysis assumes 25% of the County General Fund share and 50% of the County Structure Fire Protection share would transfer to the City (see Table 28).

In addition, Table 18 shows the projected Property Tax In-Lieu of Vehicle License Fees (VLF), which are based on the incremental increase to the County's total assessed property value base.

Sales and Use Taxes

The Project is not projected to generate sales and use tax revenue to the County, given that sales-tax generating land uses would be in the City's incorporated boundaries. However, the project would generate a significant amount of Public Safety Sales Tax (Prop. 172) revenue. As shown in Table 22, the County receives approximately 97% of the Public Safety Sales Tax generated within the County. The low and high scenarios reflect the range of assumptions related to on-site taxable sales (Table 6) and additional resident-generated taxable sales (Table 8).

City of Santa Maria

As shown in Tables 2a and 2b, property tax-related revenues and sales and use taxes account for about 95% of City General Fund revenues.

Assessed Valuation and Property Tax

See discussion above and Tables 3 and 4 for assumptions related to projected assessed valuation for the proposed residential and commercial land uses.

Table 17 shows property tax projections based on the 1.0% general property tax rate, along with the City General Fund share of the basic property tax. These projections take into account the portion of the County General Fund and County Structure Fire Protection shares of the basic property tax that would be transferred to the City, as shown in Table 29. Consistent with annexations in other counties, the analysis assumes 25% of the County General Fund share and 50% of the County Structure Fire Protection share would transfer to the City (see Table 29). As shown in the table, after these transfers, the City would receive about 12.1% of the base 1.0% property tax rate.

In addition, Table 18 shows the projected Property Tax In-Lieu of Vehicle License Fees (VLF), which are based on the incremental increase to the City's total assessed property value base.

Sales and Use Taxes

Tables 6 to 8 show the assumptions that generate the sales and use tax revenue projections. These projections are based on the taxable sales per square foot assumptions for the proposed commercial land uses (Table 6), along with additional resident-generated taxable sales at other retail facilities in the City (Table 8). The low and high scenarios of taxable sales are based on a range of taxable sales per square foot (for on-site retail) and the City's capture rate of resident retail demand assumptions. Based on this range of taxable sales projections, the 1.0% local sales and use tax rate generates the sales and use tax revenue projections to the City's General Fund (Table 20).

Along with the general 1.0% sales and use tax, the City’s Measure U ordinance is a 1.0% sales tax in addition to the general 1.0% local sales tax. This general-purpose tax is used primarily to fund services related to public safety, parks, library, and code enforcement. See Table 21 for Measure U Sales Tax revenue projections.

Appendix:

City/County Fiscal Impact Model

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Table 1a
County of Santa Barbara Fiscal Impact Analysis Summary (LOW SCENARIO)
Richards Ranch LAFCO Fiscal Analysis

| County Fund | Table Ref. | Post Annexation | |
|--|------------|-------------------|------------------|
| | | Buildout | Percent of Total |
| General Fund Financing Sources | | | |
| Property Tax | 17 | \$ 385,732 | 46.9% |
| Property Tax In-Lieu of VLF | 18 | 240,176 | 29.2% |
| Property Transfer Tax | 19 | 16,121 | 2.0% |
| Fines, Forfeitures, and Penalties | 14 | 12,048 | 1.5% |
| Intergovernmental Revenue-State | 14 | 651 | 0.1% |
| Intergovernmental Revenue-Federal | 14 | 4,490 | 0.5% |
| Public Safety Sales Tax | 22 | 159,722 | 19.4% |
| Interest Income | 25 | 3,852 | 0.5% |
| Total Financing Sources | | \$ 822,793 | 100.0% |
| General Fund Financing Requirements | | | |
| Policy and Executive | 16 | \$ 27,775 | 6.5% |
| Public Safety | 16 | 209,999 | 48.9% |
| Health and Human Services | 16 | 92,766 | 21.6% |
| Community Resources and Public Facilities | 16 | 30,760 | 7.2% |
| General Government and Support Services | 16 | 64,958 | 15.1% |
| General County Programs | 16 | 2,989 | 0.7% |
| Total Financing Requirements | | \$ 429,247 | 100.0% |
| Net Annual Surplus / (Deficit) | | \$ 393,546 | |
| Revenue/Cost Ratio | | 1.92 | |
| Fiscal Impacts to Fire Fund | | | |
| Financing Sources | 17 | \$ 301,391 | |
| Financing Requirements | | - | |
| Net Annual Surplus / (Deficit) | | \$ 301,391 | |
| Revenue/Cost Ratio | | N/A | |
| Net Fiscal Impact of Project | | | |
| Financing Sources | | \$ 1,124,184 | |
| Financing Requirements | | 429,247 | |
| Net Annual Surplus / (Deficit) | | \$ 694,937 | |
| Revenue/Cost Ratio | | 2.62 | |

Table 1b
County of Santa Barbara Fiscal Impact Analysis Summary (HIGH SCENARIO)
Richards Ranch LAFCO Fiscal Analysis

| County Fund | Table Ref. | Post Annexation | |
|---|------------|-------------------|------------------|
| | | Buildout | Percent of Total |
| <u>General Fund Financing Sources</u> | | | |
| Property Tax | 17 | \$ 385,732 | 44.9% |
| Property Tax In-Lieu of VLF | 18 | 240,176 | 28.0% |
| Property Transfer Tax | 19 | 16,121 | 1.9% |
| Fines, Forfeitures, and Penalties | 14 | 12,048 | 1.4% |
| Intergovernmental Revenue-State | 14 | 651 | 0.1% |
| Intergovernmental Revenue-Federal | 14 | 4,490 | 0.5% |
| Public Safety Sales Tax | 22 | 196,199 | 22.8% |
| Interest Income | 25 | 3,852 | 0.4% |
| Total Financing Sources | | \$ 859,270 | 100.0% |
| <u>General Fund Financing Requirements</u> | | | |
| Policy and Executive | 16 | \$ 27,775 | 6.5% |
| Public Safety | 16 | 209,999 | 48.9% |
| Health and Human Services | 16 | 92,766 | 21.6% |
| Community Resources and Public Facilities | 16 | 30,760 | 7.2% |
| General Government and Support Services | 16 | 64,958 | 15.1% |
| General County Programs | 16 | 2,989 | 0.7% |
| Total Financing Requirements | | \$ 429,247 | 100.0% |
| Net Annual Surplus / (Deficit) | | \$ 430,023 | |
| Revenue/Cost Ratio | | 2.00 | |
| <u>Fiscal Impacts to Fire Fund</u> | | | |
| Financing Sources | 17 | \$ 301,391 | |
| Financing Requirements | | - | |
| Net Annual Surplus / (Deficit) | | \$ 301,391 | |
| Revenue/Cost Ratio | | N/A | |
| <u>Net Fiscal Impact of Project</u> | | | |
| Financing Sources | | \$ 1,160,660 | |
| Financing Requirements | | 429,247 | |
| Net Annual Surplus / (Deficit) | | \$ 731,414 | |
| Revenue/Cost Ratio | | 2.70 | |

Table 2a
City of Santa Maria Fiscal Impact Analysis Summary (LOW SCENARIO)
Richards Ranch LAFCO Fiscal Analysis

| Operating Fund Category | Table Ref. | Total | % of Total |
|---|------------|---------------------|---------------|
| General Fund - Annual Recurring Revenue | | | |
| Property Tax | 17 | \$ 429,968 | 27.2% |
| Property Tax In Lieu of VLF | 18 | 337,380 | 21.3% |
| Sales and Use Tax | 20 | 378,768 | 23.9% |
| 1/2% Sales Tax - Public Safety | 22 | 1,311 | 0.1% |
| Franchises | 9 | 51,266 | 3.2% |
| Business Licenses | 9 | 13,721 | 0.9% |
| Property Transfer Tax | 19 | 16,121 | 1.0% |
| Criminal Fines & Penalties | 9 | 1,623 | 0.1% |
| Motor Vehicle License Fees | 9 | 1,122 | 0.1% |
| Homeowners' Tax Relief | 9 | 502 | 0.0% |
| Property Tax In Lieu | 9 | 945 | 0.1% |
| Recreation Programs | 9 | 1,955 | 0.1% |
| Recreation Income | 9 | 3,133 | 0.2% |
| Aquatics | 9 | 2,851 | 0.2% |
| Other Miscellaneous Revenue | 9 | 883 | 0.1% |
| Measure U Transaction & Use Tax | 21 | 327,634 | 20.7% |
| Interest | 23 | 12,712 | 0.8% |
| Total Annual Recurring General Fund Revenue | | \$ 1,581,897 | 100.0% |
| Other Operating Funds - Annual Recurring Revenue | | | |
| Library Fund (Fund 009) | 10 | \$ 1,557 | 1.1% |
| Traffic Safety Fund (Fund 013) | 10 | 3,686 | 2.5% |
| County Measure A (Fund 068) | 10 | 74,286 | 51.1% |
| Public Transit Fund (Fund 066 & 067) | 10 | 63,844 | 43.9% |
| Interest | 24 | 2,084 | 1.4% |
| Total Annual Recurring Other Funds Revenue | | \$ 145,458 | 100.0% |
| Grand Total - Annual Recurring Revenue | | \$ 1,727,355 | |
| Annual Recurring Costs | | | |
| Police | 12 | \$ 547,117 | 52.8% |
| Fire | 12 | 241,455 | 23.3% |
| Public Works | 12 | 39,620 | 3.8% |
| Recreation & Parks | 12 | 149,154 | 14.4% |
| General Government | 13 | 47,890 | 4.6% |
| Library Fund | 12 | 10,110 | 1.0% |
| Total Annual Recurring Costs | | \$ 1,035,345 | 100.0% |
| Net Surplus / (Deficit) | | \$ 692,010 | |

Table 2b
City of Santa Maria Fiscal Impact Analysis Summary (HIGH SCENARIO)
Richards Ranch LAFCO Fiscal Analysis

| Operating Fund Category | Table Ref. | Total | % of Total |
|---|------------|---------------------|---------------|
| General Fund - Annual Recurring Revenue | | | |
| Property Tax | 17 | \$ 429,968 | 24.7% |
| Property Tax In Lieu of VLF | 18 | 337,380 | 19.4% |
| Sales and Use Tax | 20 | 465,270 | 26.7% |
| 1/2% Sales Tax - Public Safety | 22 | 1,610 | 0.1% |
| Franchises | 9 | 51,266 | 2.9% |
| Business Licenses | 9 | 13,721 | 0.8% |
| Property Transfer Tax | 19 | 16,121 | 0.9% |
| Criminal Fines & Penalties | 9 | 1,623 | 0.1% |
| Motor Vehicle License Fees | 9 | 1,122 | 0.1% |
| Homeowners' Tax Relief | 9 | 502 | 0.0% |
| Property Tax In Lieu | 9 | 945 | 0.1% |
| Recreation Programs | 9 | 1,955 | 0.1% |
| Recreation Income | 9 | 3,133 | 0.2% |
| Aquatics | 9 | 2,851 | 0.2% |
| Other Miscellaneous Revenue | 9 | 883 | 0.1% |
| Measure U Transaction & Use Tax | 21 | 402,459 | 23.1% |
| Interest | 23 | 12,712 | 0.7% |
| Total Annual Recurring General Fund Revenue | | \$ 1,743,523 | 100.0% |
| Other Operating Funds - Annual Recurring Revenue | | | |
| Library Fund (Fund 009) | 10 | \$ 1,557 | 1.1% |
| Traffic Safety Fund (Fund 013) | 10 | 3,686 | 2.5% |
| County Measure A (Fund 068) | 10 | 74,286 | 51.1% |
| Public Transit Fund (Fund 066 & 067) | 10 | 63,844 | 43.9% |
| Interest | 24 | 2,084 | 1.4% |
| Total Annual Recurring Other Funds Revenue | | \$ 145,458 | 100.0% |
| Grand Total - Annual Recurring Revenue | | \$ 1,888,981 | |
| Annual Recurring Costs | | | |
| Police | 12 | \$ 547,117 | 52.8% |
| Fire | 12 | 241,455 | 23.3% |
| Public Works | 12 | 39,620 | 3.8% |
| Recreation & Parks | 12 | 149,154 | 14.4% |
| General Government | 13 | 47,890 | 4.6% |
| Library Fund | 12 | 10,110 | 1.0% |
| Total Annual Recurring Costs | | \$ 1,035,345 | 100.0% |
| Net Surplus / (Deficit) | | \$ 853,636 | |

Table 3
Residential Land Use Assumptions
Richards Ranch LAFCO Fiscal Analysis

| Residential Land Use | Number of Dwelling Units DU | Value/ DU | Total Assessed Value | Avg HH Size | Total Population |
|------------------------------------|------------------------------------|------------------|-----------------------------|--------------------|-------------------------|
| <i>Apartments</i> | | | | | |
| 1-bedroom | 120 | \$470,000 | \$56,400,000 | 1.50 | 180 |
| 2-bedroom | 176 | 640,000 | 112,640,000 | 2.00 | 352 |
| 3-bedroom | 88 | 700,000 | 61,600,000 | 2.50 | 220 |
| Apartment Total / Avg ¹ | 384 | \$600,625 | \$230,640,000 | 1.96 | 752 |
| Townhomes | 100 | \$725,000 | \$72,500,000 | 3.50 | 350 |
| Residential Total / Avg | 484 | \$626,322 | \$303,140,000 | 2.28 | 1,102 |

Source: Applicant; The Natelson Dale Group, Inc. (TNDG), Table 26

Note: 1. Assessed value per unit assumes net operating income (NOI) is equal to 75% of gross annual rent (see Table 7) and a market cap rate of 4.5%

Table 4
Commercial Land Use Assumptions
Richards Ranch LAFCO Fiscal Analysis

| Commercial Land Use | Building Sq. Ft. | Employees/ 1,000 Sq. Ft. | Employees | Assessed Value | Assessed Value (\$000s) |
|----------------------------|-----------------------------|-------------------------------------|------------------|---------------------------|------------------------------------|
| Commercial Center Space | 93,863 | 2.00 | 188 | \$410 /SF | \$38,484 |
| Mini Storage | 101,265 | N/A | 3 ¹ | 150 /SF | 15,190 |
| Total / Average | 195,128 | 0.98 | 191 | \$275 /SF | \$53,674 |

Source: Applicant; Self Storage Industry Statistics (2022); TNDG.

Table 5
Total Project Effective Population
Richards Ranch LAFCO Fiscal Analysis

| Variable | | Population |
|---|-------------------------------|-------------------|
| Resident Population | A | 1,102 |
| Employees | B | 191 |
| Employee Weighting Factor | C | 0.5 |
| Employee "Population" Equivalent | $D = B \times C$ | 96 |
| Total "Effective" Project Population | $E = A + D$ | 1,198 |

Source: TNDG, Tables 3 and 4.

Table 6
Project Summary and Fiscal Model Input Factors (Onsite Taxable Sales)
Richards Ranch LAFCO Fiscal Analysis

| Commercial Land Use | Building Sq. Ft. | Taxable Sales / Sq. Ft. | | Total Sales (\$000s) | |
|-------------------------|---------------------|-------------------------|-------|----------------------|----------|
| | | Low | High | | |
| Commercial Center Space | 93,863 | \$250 | \$300 | \$23,466 | \$28,159 |
| Mini Storage | 101,265 | \$0 | \$0 | \$0 | \$0 |
| Total / Average | 195,128 | \$120 | \$144 | \$23,466 | \$28,159 |

Source: Applicant; TNDG.

Table 7
Fiscal Model Input Factors (Average Household Income Estimates)
Richards Ranch LAFCO Fiscal Analysis

| Variable | Apartment Unit Type | | | |
|--|---|------------------|------------------|------------------|
| | 1-bedroom | 2-bedroom | 3-bedroom | |
| <u>Apartment Units</u> | | | | |
| Total Units | A | 120 | 176 | 88 |
| Monthly Avg. Rent / DU | B | \$2,350 | \$3,200 | \$3,500 |
| Annual Rent / DU | $C = B \times 12$ | \$28,200 | \$38,400 | \$42,000 |
| Rent as Share of Total Income | D | 0.30 | 0.30 | 0.30 |
| Avg. Household Income | $E = C / D$ | \$94,000 | \$128,000 | \$140,000 |
| <u>Townhome Units</u> | | | | |
| Total Units | A | 100 | | |
| Assessed Value / DU | B | \$725,000 | | |
| Monthly Payment Variables ¹ | | | | |
| Downpayment | | 20.00% | | |
| Interest Rate | | 6.77% | | |
| Monthly Property Taxes | | 1.00% | | |
| Monthly Insurance Payment | | 0.38% | | |
| Estimated Monthly Payment | C | \$4,603 | | |
| Maximum DTI Ratio ² | D | 0.30 | | |
| Minimum Required Household Income | $E = C \times 12 / D$ | \$184,133 | | |

Source: Applicant; California Association of Realtors (CAR); TNDG, Table 3.

Notes:

1. CAR, Housing Affordability Index, accessed at <https://www.car.org/marketdata/data/haimethodology>.

2. DTI = Debt-to-Income ratio represents total monthly housing debt obligation as a percentage

Table 8
Fiscal Model Input Factors (Resident-Generated Taxable Sales)
Richards Ranch LAFCO Fiscal Analysis

| Variable | | Dwelling Unit Type | | | | |
|--|------------------------------------|--------------------|----------------|----------------|----------------|-----------------|
| | | Townhomes | 1-bed Apt | 2-bed Apt | 3-bed Apt | Total |
| Households | A | 100 | 120 | 176 | 88 | 484 |
| Avg. HH Income | B | \$184,133 | \$94,000 | \$128,000 | \$140,000 | N/A |
| Total Aggregate HH Income (\$000s) | $C = A \times B / 1000$ | \$18,413 | \$11,280 | \$22,528 | \$12,320 | \$64,541 |
| Percent of Income Spent on Taxable Retail Sales | D | 25.6% | 33.5% | 29.0% | 29.0% | N/A |
| Total Potential Taxable Sales (\$000s) | $E = C \times D$ | \$4,710 | \$3,783 | \$6,531 | \$3,571 | \$18,595 |
| <u>City Resident Demand Capture (Offsite)</u> | | | | | | |
| Low Scenario | F | 50% | | | | |
| High Scenario | G | 65% | | | | |
| <u>Estimated Resident-Generated Taxable Sales (\$000s)</u> | | | | | | |
| Low Scenario | $H = E \times F$ | \$2,355 | \$1,892 | \$3,265 | \$1,786 | \$9,298 |
| High Scenario | $I = E \times G$ | \$3,062 | \$2,459 | \$4,245 | \$2,321 | \$12,087 |

Source: TNDG, Tables 3, 7, and 27 (a to c).

Table 9
General Fund Discretionary Revenue Calculations - City of Santa Maria
Richards Ranch LAFCO Fiscal Analysis

| | General Fund Revenue | Non-Recurring or One-Time | Not Projected | Recurring Projected | Measure | City Units | Revenue Projection Factor | Project Equivalent Units | Amount |
|---|----------------------|---------------------------|----------------------|-----------------------|------------------------|------------|---------------------------|--------------------------|------------------|
| | | | | [1] | | [2] | [1]/[2]=[3] | [4] | [3]x[4]=5 |
| Taxes | | | | | | | | | |
| Secured | \$ 14,304,503 | \$ - | \$ - | \$ 14,304,503 | ----- | Table 17 | ----- | ----- | ----- |
| Unsecured | 506,424 | - | 506,424 | - | Not used | - | - | - | - |
| Property Tax In Lieu of VLF | 10,884,750 | - | - | 10,884,750 | ----- | Table 18 | ----- | ----- | ----- |
| Sales & Use | 31,793,709 | - | - | 31,793,709 | ----- | Table 20 | ----- | ----- | ----- |
| Sales & Use - Safety | 394,157 | - | - | 394,157 | ----- | Table 22 | ----- | ----- | ----- |
| Franchises | 4,979,094 | - | - | 4,979,094 | Per Service Population | 116,305 | 42.81 | 1,198 | 51,266 |
| Transient Occupancy | 4,273,426 | - | 4,273,426 | - | Not used | - | - | - | - |
| Business License | 818,500 | - | - | 818,500 | Per Employee | 11,394 | 71.84 | 191 | 13,721 |
| Property Transfer | 310,896 | - | - | 310,896 | ----- | Table 19 | ----- | ----- | ----- |
| Subtotal Taxes | \$ 68,265,459 | \$ - | \$ 4,779,850 | \$ 63,485,609 | | | \$ 114.65 | | \$ 64,987 |
| Licenses, Permits and Fees | | | | | | | | | |
| Construction Permits | \$ 3,070,974 | \$ - | \$ 3,070,974 | \$ - | Not used | - | - | - | - |
| Taxi & Mobile Home Fees | 24,700 | - | - | 24,700 | Not used | - | - | - | - |
| Criminal Fines & Penalties | 157,660 | - | - | 157,660 | Per Service Population | 116,305 | 1.36 | 1,198 | 1,623 |
| Subtotal Licenses, Permits and Fees | \$ 3,253,334 | \$ - | \$ 3,070,974 | \$ 182,360 | | | \$ 1.36 | | \$ 1,623 |
| Revenue from Use of Money & Property | | | | | | | | | |
| Interest Earned | \$ 2,285,796 | \$ - | \$ - | \$ 2,285,796 | ----- | Table 23 | ----- | ----- | ----- |
| Rental Income | 673,717 | - | 673,717 | - | Not used | - | - | - | - |
| Subtotal Use of Money & Property | \$ 2,959,513 | \$ - | \$ 673,717 | \$ 2,285,796 | | | \$ - | | \$ - |
| Revenues from Other Agencies | | | | | | | | | |
| Motor Vehicle License Fees | \$ 112,660 | \$ - | \$ - | \$ 112,660 | Per Capita | 110,608 | 1.02 | 1,102 | 1,122 |
| Homeowners' Tax Relief | 50,416 | - | - | 50,416 | Per Capita | 110,608 | 0.46 | 1,102 | 502 |
| Property Tax In Lieu | 94,900 | - | - | 94,900 | Per Capita | 110,608 | 0.86 | 1,102 | 945 |
| Mandated Costs | 43,401 | - | 43,401 | - | Not used | - | - | - | - |
| P.O.S.T. | 43,773 | - | 43,773 | - | Not used | - | - | - | - |
| Other Subventions | 141,336 | - | - | 141,336 | Per Service Population | 116,305 | 1.22 | 1,198 | 1,455 |
| Subtotal Other Agencies | \$ 486,486 | \$ - | \$ 87,174 | \$ 399,312 | | | \$ 3.55 | | \$ 4,025 |
| Charges for Service | | | | | | | | | |
| Recreation Programs | \$ 196,260 | \$ - | \$ - | \$ 196,260 | Per Capita | 110,608 | 1.77 | 1,102 | 1,955 |
| Recreation Income | 314,478 | - | - | 314,478 | Per Capita | 110,608 | 2.84 | 1,102 | 3,133 |
| Aquatics | 286,200 | - | - | 286,200 | Per Capita | 110,608 | 2.59 | 1,102 | 2,851 |
| Zoning & Subdivision Fees | 690,950 | \$ 690,950 | - | - | Not used | - | - | - | - |
| Law Enforcement | 979,921 | - | 979,921 | - | Not used | - | - | - | - |
| Fire Services | 1,686,005 | - | 1,686,005 | - | Not used | - | - | - | - |
| Engineering Reimbursements | 677,699 | - | 677,699 | - | Not used | - | - | - | - |
| Comm/Dev. Reimbursements | 312,400 | - | 312,400 | - | Not used | - | - | - | - |
| Weed Abatement | - | - | - | - | Not used | - | - | - | - |
| Services Rendered Other Agencies | 1,085 | - | 1,085 | - | Not used | - | - | - | - |
| Engr. Plan Check & Inspections | 853,981 | \$ 853,981 | - | - | Not used | - | - | - | - |
| Impacted Soils | 100,000 | - | 100,000 | - | Not used | - | - | - | - |
| Subtotal Charges for Service | \$ 6,098,979 | \$ 1,544,931 | \$ 3,757,110 | \$ 796,938 | | | \$ 7.21 | | \$ 7,940 |
| Other Revenue | | | | | | | | | |
| Prior Year & Damage Recovery | \$ 3,000 | \$ - | \$ 3,000 | \$ - | Not used | - | - | - | - |
| Sale of Property - Real | 4,250 | - | 4,250 | - | Not used | - | - | - | - |
| Sale of Maps, Plans & Others | 134,660 | - | 134,660 | - | Not used | - | - | - | - |
| Other Miscellaneous Revenue | 85,746 | - | - | 85,746 | Per Service Population | 116,305 | 0.74 | 1,198 | 883 |
| Operating Transfers In | 4,627,624 | - | 4,627,624 | - | Not used | - | - | - | - |
| Cost Allocation Transfers | 4,917,037 | - | 4,917,037 | - | Not used | - | - | - | - |
| Subtotal Other Revenue | \$ 9,772,317 | \$ - | \$ - | \$ 9,772,317 | | | \$ 0.74 | | \$ 883 |
| Measure U (Fund 011) | | | | | | | | | |
| Measure U Transaction & Use Tax | \$ 26,715,000 | \$ - | \$ - | \$ 26,715,000 | ----- | Table 21 | ----- | ----- | ----- |
| Interest Income | 171,354 | - | 171,354 | - | Not used | - | - | - | - |
| Subtotal Measure U | \$ 26,886,354 | \$ - | \$ 171,354 | \$ 26,715,000 | | | | | |
| TOTAL GENERAL FUND REVENUES | \$117,722,442 | \$ 1,544,931 | \$ 12,540,179 | \$ 103,637,332 | | | | | \$ 79,459 |

Source: City of Santa Maria, Adopted Biennial Budget, Fiscal Years 2024-26, Schedule of Revenues and Transfers Insert.

Table 10
Other Operating Fund Revenue Calculations - City of Santa Maria
Richards Ranch LAFCO Fiscal Analysis

| | Operating Fund Revenue | Non-Recurring or One-Time | Not Projected | Recurring Projected | Measure | City Units | Revenue Projection Factor | Project Equivalent Units | Amount |
|---|------------------------|---------------------------|----------------------|----------------------|------------|------------|---------------------------|--------------------------|-------------------|
| | | | | [1] | | [2] | [1]/[2]=[3] | [4] | [3]x[4]=5 |
| Library Fund (Fund 009) | | | | | | | | | |
| County Grants | \$ 1,387,614 | | \$ 1,387,614 | \$ - | not used | - | - | - | - |
| State Grants | | | - | | not used | - | - | - | - |
| Charges for Service | 156,263 | | - | 156,263 | Per Capita | 110,608 | 1.41 | 1,102 | 1,557 |
| Operating Transfers In | 2,666,110 | | 2,666,110 | | not used | - | - | - | - |
| Subtotal Library Fund | \$ 4,209,987 | \$ - | \$ 4,053,724 | \$ 156,263 | | | \$ 1.41 | | \$ 1,557 |
| Traffic Safety Fund (Fund 013) | | | | | | | | | |
| Vehicle Code Fines | \$ 370,000 | \$ - | \$ - | \$ 370,000 | Per Capita | 110,608 | 3.35 | 1,102 | 3,686 |
| Subtotal Traffic Safety Fund | \$ 370,000 | \$ - | \$ - | \$ 370,000 | | | \$ 3.35 | | \$ 3,686 |
| County Measure A (Fund 068) | | | | | | | | | |
| Sales Tax (County 1/2 % - Meas A) | \$ 7,456,129 | \$ - | | \$ 7,456,129 | Per Capita | 110,608 | 67.41 | 1,102 | 74,286 |
| Interest Income | 105,950 | | | 105,950 | | | -----Table 24----- | | |
| Other | 252,700 | | 252,700 | - | | | | | |
| Subtotal County Measure A | \$ 7,814,779 | \$ - | \$ 252,700 | \$ 7,562,079 | | | \$ 67.41 | | \$ 74,286 |
| Public Transit Fund (Fund 066 & 067) | | | | | | | | | |
| Federal Grant - Operating | \$ 4,199,207 | \$ - | \$ 4,199,207 | \$ - | Not Used | - | - | - | - |
| Federal Grant - Capital | 7,051,609 | | 7,051,609 | | Not Used | - | - | - | - |
| State Gas Tax | 5,464,920 | | | 5,464,920 | Per Capita | 110,608 | 49.41 | 1,102 | 54,448 |
| Passenger Fares | 943,157 | | | 943,157 | Per Capita | 110,608 | 8.53 | 1,102 | 9,397 |
| Interest | 325,965 | | | 325,965 | | | -----Table 24----- | | |
| Other | 1,922,500 | | | 1,922,500 | Not Used | - | - | - | - |
| Subtotal Public Transit | \$ 19,907,358 | \$ - | \$ 11,250,816 | \$ 8,656,542 | | | \$ 57.94 | | \$ 63,844 |
| TOTAL OTHER OPERATING FUND REVENUES | \$ 32,302,124 | \$ - | \$ 15,557,240 | \$ 16,744,884 | | | | | \$ 143,374 |

Source: City of Santa Maria, Adopted Biennial Budget, Fiscal Years 2024-26, Schedule of Revenues and Transfers Insert.

Table 11
General Fund and Other Relevant Operating Funds Expenditures - City of Santa Maria
Richards Ranch LAFCO Fiscal Analysis

| Departments | Total Operating Expenditures | Departmental Revenues | Recurring Operating Costs |
|---|------------------------------|-----------------------|---------------------------|
| | [1] | [2] | [1]-[2]=[3] |
| Public Safety | | | |
| Police | 54,462,616 | 1,324,995 | 53,137,621 |
| Fire | 25,708,413 | 2,257,580 | 23,450,833 |
| Public Works | 5,392,822 | 1,544,800 | 3,848,022 |
| Recreation & Parks | 16,063,604 | 1,092,973 | 14,970,631 |
| Community Development | 6,911,453 | 4,973,250 | 1,938,203 |
| General Government | | | |
| Mayor & Council | 210,716 | 0 | 210,716 |
| City Attorney | 1,816,866 | 0 | 1,816,866 |
| City Manager | 13,061,241 | 15,999 | 13,045,242 |
| Finance | 5,078,413 | 1,094,044 | 3,984,369 |
| Library (Measure U) | 1,014,709 | | 1,014,709 |
| Transfers | 10,128,008 | | 10,128,008 |
| Total General Fund/Other Fund Expenditures | \$ 139,848,861 | \$ 12,303,641 | \$ 127,545,220 |

Source: City of Santa Maria, Adopted Budget, For Fiscal Years 2024-26, City Net Costs Insert

Table 12
General Fund and Other Relevant Operating Funds Expenditure Calculations - City of Santa Maria
Richards Ranch LAFCO Fiscal Analysis

| Departments | FY 2023-24 Net Recurring Budget | Marginal Increase | Net Cost | Measure | City Units | Cost Projection Factor | Project Equivalent Units | Amount |
|---|------------------------------------|-------------------|-----------------------|------------------------|---------------|------------------------------|--------------------------------|-------------------|
| | [1] | [2] | [1]x[2]=[3] | | [4] | [3]/[4]=[5] | [6] | [5]x[6]=[7] |
| Public Safety | | | | | | | | |
| Police | 53,137,621 | 100% | 53,137,621 | Per Service Population | 116,305 | 456.88 | 1,198 | \$ 547,117 |
| Fire | 23,450,833 | 100% | 23,450,833 | Per Service Population | 116,305 | 201.63 | 1,198 | \$ 241,455 |
| Total Public Safety | \$ 76,588,454 | | \$ 76,588,454 | | | \$ 658.51 | | \$ 788,571 |
| Public Works | 3,848,022 | 100% | 3,848,022 | Per Service Population | 116,305 | 33.09 | 1,198 | \$ 39,620 |
| Recreation & Parks | 14,970,631 | 100% | 14,970,631 | Per Capita | 110,608 | 135.35 | 1,102 | \$ 149,154 |
| Community Development | 1,938,203 | 0% | 0 | Not Projected | | - | | \$ - |
| General Government | | | | | | | | |
| Mayor & Council | 210,716 | 25% | 52,679 | -----See Table 13----- | | | | |
| City Attorney | 1,816,866 | 25% | 454,217 | -----See Table 13----- | | | | |
| City Manager | 13,045,242 | 25% | 3,261,311 | -----See Table 13----- | | | | |
| Finance | 3,984,369 | 25% | 996,092 | -----See Table 13----- | | | | |
| Total General Government | \$ 19,057,193 | | \$ 4,764,298 | | | | | |
| Library (Measure U) | 1,014,709 | 100% | 1,014,708 | Per Capita | 110,608 | 9.17 | 1,102 | \$ 10,110 |
| Transfers | 10,128,008 | 0% | 0 | Not Projected | | - | | \$ - |
| Total General Fund/Other Fund Expenditures | \$ 127,545,220 | | \$ 101,186,113 | | | | | \$ 987,455 |

Source: City of Santa Maria, Adopted Budget, For Fiscal Years 2024-26; TNDG, Tables 5, 11, and 26.

Table 13
General Fund Overhead Rate Calculation - City of Santa Maria
Richards Ranch LAFCO Fiscal Analysis

| Departments | FY 2023/24 Costs | General Overhead | Direct Costs |
|--|------------------------------|-----------------------------|-----------------------------|
| <u>I. General Fund Overhead Costs</u> | | | |
| General Government | | | |
| Mayor & Council | 210,716 | 210,716 | - |
| City Attorney | 1,816,866 | 1,816,866 | - |
| City Manager | 13,045,242 | 13,045,242 | - |
| Finance | 3,984,369 | 3,984,369 | - |
| Subtotal General | <u>\$ 19,057,193</u> | <u>\$ 19,057,193</u> | <u>\$ -</u> |
| Direct General Fund | | | |
| Police | 53,137,621 | - | 53,137,621 |
| Fire | 23,450,833 | - | 23,450,833 |
| Engineering & Facilities Maintenance | 3,848,022 | - | 3,848,022 |
| Recreation & Parks | 14,970,631 | - | 14,970,631 |
| Community Development | 1,938,203 | - | 1,938,203 |
| Subtotal Direct General | <u>\$ 97,345,310</u> | <u>\$ -</u> | <u>\$ 97,345,310</u> |
| Total General Fund Expenditures | <u>\$ 116,402,503</u> | <u>\$ 19,057,193</u> | <u>\$ 97,345,310</u> |
| <u>II. Calculation of Marginal General Government Overhead Rate</u> | | | |
| 25% of Current General Fund Expenditures | | [1] | \$ 4,764,298 |
| Direct General Fund Costs | | [2] | \$ 97,345,310 |
| Marginal General Government Overhead Rate | | [1]/[2] | 4.9% |
| <u>III. General Government Cost Calculation</u> | | | |
| Project Direct Costs (Table 12) | | | |
| Police | | \$ | 547,117 |
| Fire | | | 241,455 |
| Public Works | | | 39,620 |
| Recreation & Parks | | | 149,154 |
| Community Development | | | - |
| Total Project Direct Costs | | [3] | <u>\$ 977,346</u> |
| Marginal General Government Overhead Rate | | [4] | 4.9% |
| General Government Costs | | [3]x[4] | <u>\$ 47,890</u> |

Source: City of Santa Maria, Adopted Budget, For Fiscal Years 2024-26; TNDG, Tables 11 and 12.

Table 14
General Fund Discretionary Revenue Calculations - Santa Barbara County
Richards Ranch LAFCO Fiscal Analysis

| Description | Budget FY 23/24 | County Equivalent Units | Factor | Measurement | Project Equivalent Units | Financing Requirements |
|---|-----------------------|-------------------------------|---------------|---------------------------------------|--------------------------------|---------------------------|
| | [1] | [2] | [1]/[2] = [3] | | [4] | [3]x[4] |
| General Fund Discretionary Revenue | | | | | | |
| Property Tax | | | | | | |
| Property Tax-Current Secured | 194,387,000 | ----- | | See Table 17 | ----- | ----- |
| Property Tax-Unitary | 3,796,000 | ----- | | See Table 17 | ----- | ----- |
| Property Tax In-Lieu of VLF | 74,128,000 | ----- | | See Table 18 | ----- | ----- |
| PT PY Corr/Escapes Secured | 368,000 | | | not used | | |
| Property Tax-Current Unsecd | 6,331,000 | ----- | | See Table 17 | ----- | ----- |
| Prop Tax-Curr Unsec Aircraft | 720,000 | | | not used | | |
| PT PY Corr/Escapes Unsecured | 51,000 | | | not used | | |
| RDA Pass-through Payments | 1,119,000 | | | not used | | |
| RDA RPTTF Resid Distributions | 3,024,000 | | | not used | | |
| Property Tax-Prior Secured | 20,000 | | | not used | | |
| Property Tax-Prior Unsecured | 104,000 | | | not used | | |
| Supplemental Pty Tax-Current | 5,040,000 | | | not used | | |
| Supplemental Pty Tax-Prior | 54,000 | | | not used | | |
| Sales and Use Retail Tax State | 15,081,700 | | | not used | | |
| Cannabis Tax - Cultivation | 6,000,000 | | | not used | | |
| Cannabis Tax - Retail | 1,500,000 | | | not used | | |
| Transient Occupancy Tax | 17,561,800 | | | not used | | |
| Racehorse Taxation | 2,500 | | | not used | | |
| Property Transfer Taxes | 4,675,000 | ----- | | See Table 19 | ----- | ----- |
| Total Property Tax | \$ 333,963,000 | | | | | |
| Licenses, Permits and Franchises | | | | | | |
| Franchises | 3,597,600 | 183,161 | 19.64 | per service population, unincorp only | - | \$ - |

Table 14
General Fund Discretionary Revenue Calculations - Santa Barbara County
Richards Ranch LAFCO Fiscal Analysis

| Description | Budget FY 23/24 | County Equivalent Units | Factor | Measurement | Project Equivalent Units | Financing Requirements |
|--|----------------------|-------------------------------|-----------------|---------------------------------------|--------------------------------|---------------------------|
| | [1] | [2] | [1]/[2] = [3] | | [4] | [3]x[4] |
| Fines, Forfeitures, and Penalties | | | | | | |
| PT-506 Int, 480 CIOS/CIC Pen | \$5,000 | | | not used | | |
| PT-Delinquent Penalty-CY | 2,652,000 | 551,543 | 4.81 | per service population, entire county | 1,198 | \$ 5,758 |
| PT-Redemption Penalty-PY | 1,939,000 | 551,543 | 3.52 | per service population, entire county | 1,198 | 4,210 |
| PT-Delinquent Penalty-PY | 958,000 | 551,543 | 1.74 | per service population, entire county | 1,198 | 2,080 |
| Total Fines, Forfeitures, and Penalties | \$ 5,554,000 | | \$ 10.06 | | | \$ 12,048 |
| Use of Money and Property | | | | | | |
| Interest Income | 3,283,000 | | | See Table 25 | | |
| Unrealized Gain/Loss Invstmnts | - | | | not used | | |
| Other Rental of Bldgs and Land | 473,500 | | | not used | | |
| Total Use of Money and Property | \$ 3,756,500 | | | | | |
| Intergovernmental Revenue-State | | | | | | |
| Motor Vhcle In-Lieu In Excess | \$ 300,000 | 551,543 | 0.54 | per capita, entire county | 1,198 | \$ 651 |
| Homeowners Property Tax Relief | \$ 685,000 | | | not used | | |
| State Off Hwy Mtr Veh Lic Fees | 1,000.00 | | | not used | | |
| Total Intergovernmental Revenue-State | \$ 986,000 | | \$ 0.54 | | | \$ 651 |
| Intergovernmental Revenue-Federal | | | | | | |
| Federal Grazing Fees | 100 | | | not used | | |
| Payments In Lieu of Taxes | 2,068,200 | 551,543 | 3.75 | per capita, entire county | 1,198 | \$ 4,490 |
| RDA Dissolution Proceeds | 91,000 | | | not used | | |
| Total Intergovernmental Revenue-Federal | \$ 2,159,300 | | \$ 3.75 | | | \$ 4,490 |
| Charges for Services | | | | | | |
| Auto Fees-Daily | \$ 25,000 | | | not used | | |
| Cost Allocation Services | 20,941,500 | | | not used | | |
| Cost Allocation Use Allowance | 1,006,200 | | | not used | | |
| Total Charges for Services | \$ 21,972,700 | | | | | |

Table 14
General Fund Discretionary Revenue Calculations - Santa Barbara County
Richards Ranch LAFCO Fiscal Analysis

| Description | Budget FY 23/24 | County Equivalent Units | Factor | Measurement | Project Equivalent Units | Financing Requirements |
|--|---------------------|-------------------------------|---------------|-------------|--------------------------------|---------------------------|
| | [1] | [2] | [1]/[2] = [3] | | [4] | [3]x[4] |
| Miscellaneous Revenue | | | | | | |
| Not Found | - | | | not used | | |
| Grant/Audit/Other Settlements | - | | | not used | | |
| Other Miscellaneous Revenue | 95,000 | | | not used | | |
| Total Miscellaneous Revenue | <u>\$ 95,000.00</u> | | | | | |
| Total General Fund Discretionary Revenue | \$ 372,084,100 | | \$ 34.00 | | | \$ 17,190 |
| Prop 172 - Public Safety Sales Tax | \$ 48,831,700 | ----- See Table 22 ----- | | | | |
| Total General Fund Discretionary and Prop 172 | \$ 420,915,800 | | | | | |

Source: County of Santa Barbara, Recommended Budget, FY 2024-2025; TNDG, Tables 5 and 26.

Table 15
General Fund Financing Requirements - Santa Barbara County
Richards Ranch LAFCO Fiscal Analysis

| Description | Budget FY 23/24 | | | | Marginal Increase | Net General Fund Contribution |
|--|------------------------|--------------------|-------------------------|------|-------------------|-------------------------------|
| | Operating Expenditures | Operating Revenues | Net General Fund Amount | | | |
| | [1] | [2] | [1] - [2] = [3] | [4] | | |
| Policy & Executive | | | | | | |
| Board of Supervisors | 4,142,600 | 0 | 4,142,600 | 50% | 2,071,300 | |
| County Executive Office | 62,815,700 | 53,620,700 | 9,195,000 | 50% | 4,597,500 | |
| County Counsel | 12,614,200 | 366,600 | 12,247,600 | 50% | 6,123,800 | |
| Total Policy & Executive | 79,572,500 | 53,987,300 | 25,585,200 | | | 12,792,600 |
| Public Safety | | | | | | |
| District Attorney | 34,344,300 | 13,224,100 | 21,120,200 | 25% | 5,280,050 | |
| Probation | 70,195,300 | 44,969,700 | 25,225,600 | 50% | 12,612,800 | |
| Public Defender | 20,289,300 | 557,200 | 19,732,100 | 25% | 4,933,025 | |
| Court Special Services | 12,916,000 | 5,289,300 | 7,626,700 | 25% | 1,906,675 | |
| Fire | 120,928,100 | 44,103,500 | 76,824,600 | N/A | - | |
| Sheriff (non-Custody Operations) | 109,045,400 | 49,665,600 | 59,379,800 | N/A | - | |
| Sheriff (Custody Operations) | 90,894,900 | 22,471,000 | 68,423,900 | 100% | 68,423,900 | |
| Total Public Safety | 367,718,400 | 157,809,400 | 209,909,000 | | | 93,156,450 |
| Health and Human Services | | | | | | |
| Public Health | 102,583,200 | 87,758,600 | 14,824,600 | 100% | 14,824,600 | |
| Behavioral Wellness | 175,660,900 | 171,167,600 | 4,493,300 | 100% | 4,493,300 | |
| Social Services | 222,738,400 | 205,562,700 | 17,175,700 | 100% | 17,175,700 | |
| Child Support Services | 11,272,000 | 11,272,000 | 0 | 100% | - | |
| First 5, Children & Families | 3,723,900 | 2,873,600 | 850,300 | 100% | 850,300 | |
| Total Health and Human Services | 515,978,400 | 478,634,500 | 37,343,900 | | | 37,343,900 |
| Community Resources and Public Facilities | | | | | | |
| Agricultural Commissioner/W&M | 7,912,800 | 5,804,400 | 2,108,400 | 50% | 1,054,200 | |
| Community Services | 74,837,200 | 41,925,000 | 32,912,200 | 50% | 16,456,100 | |
| Planning & Development | 29,853,200 | 22,524,600 | 7,328,600 | 0% | - | |
| Public Works | 173,327,200 | 147,100,900 | 26,226,300 | 50% | 13,113,150 | |
| Total Community Resources and Public Facilities | 285,930,400 | 217,354,900 | 68,575,500 | | | 30,623,450 |
| General Government and Support Services | | | | | | |
| Auditor-Controller | 10,674,500 | 1,407,000 | 9,267,500 | 50% | 4,633,750 | |
| Clerk-Recorder-Assessor | 21,695,100 | 7,042,600 | 14,652,500 | 50% | 7,326,250 | |
| Debt Service | 1,246,900 | 1,384,900 | 0 | N/A | - | |

Table 15
General Fund Financing Requirements - Santa Barbara County
Richards Ranch LAFCO Fiscal Analysis

| Description | Budget FY 23/24 | | | Marginal Increase | Net General Fund Contribution |
|--|-------------------------|--------------------|-------------------------|-------------------|-------------------------------|
| | Operating Expenditures | Operating Revenues | Net General Fund Amount | | |
| | [1] | [2] | [1] - [2] = [3] | [4] | |
| General Services | 49,964,100 | 29,303,300 | 20,660,800 | 50% | 10,330,400 |
| Human Resources | 10,572,600 | 2,598,300 | 7,974,300 | 50% | 3,987,150 |
| Information Technology | 28,240,200 | 27,232,100 | 1,008,100 | 50% | 504,050 |
| Treasurer-Tax Collector- Public | 9,579,200 | 3,477,800 | 6,101,400 | 50% | 3,050,700 |
| Total General Government and Support Services | 131,972,600 | 72,446,000 | 59,664,600 | | 29,832,300 |
| General County Programs | | | | | |
| General County Programs | 11,090,700 | 8,345,100 | 2,745,600 | 50% | 1,372,800 |
| Total General County Programs | 11,090,700 | | 2,745,600 | | 1,372,800 |
| Total Financing Requirements | \$ 1,392,263,000 | | \$ 403,823,800 | | \$ 205,121,500 |

Source: County of Santa Barbara, Recommended Budget, FY 2024-2025; TNDG.

Table 16
General Fund Financing Requirements Calculations - Santa Barbara County
Richards Ranch LAFCO Fiscal Analysis

| Description | Net General Fund Contribution | County Equivalent Units | Factor | Measurement | Project Equivalent Units | Financing Requirements |
|--|-------------------------------|-------------------------|-----------------|---------------------------------------|--------------------------|------------------------|
| | [1] | [2] | [1]/[2] = [3] | | [4] | [3]x[4] |
| Policy & Executive | | | | | | |
| Board of Supervisors | 2,071,300 | 551,543 | 3.76 | per service population, entire county | 1,198 | \$ 4,497 |
| County Executive Office | 4,597,500 | 551,543 | 8.34 | per service population, entire county | 1,198 | 9,982 |
| County Counsel | 6,123,800 | 551,543 | 11.10 | per service population, entire county | 1,198 | 13,296 |
| Total Policy & Executive | 12,792,600 | | \$ 23.19 | | | 27,775 |
| Public Safety | | | | | | |
| District Attorney | 5,280,050 | 443,623 | 11.90 | per capita, entire county | 1,102 | 13,116 |
| Probation | 12,612,800 | 443,623 | 28.43 | per capita, entire county | 1,102 | 31,331 |
| Public Defender | 4,933,025 | 443,623 | 11.12 | per capita, entire county | 1,102 | 12,254 |
| Court Special Services | 1,906,675 | 443,623 | 4.30 | per capita, entire county | 1,102 | 4,736 |
| Fire | - | 242,885 | - | not used | - | - |
| Sheriff (non-Custody) | - | 259,341 | - | not used | - | - |
| Sheriff (Custody) | 68,423,900 | 551,543 | 124.06 | per service population, entire county | 1,198 | 148,561 |
| Total Public Safety | 24,732,550 | | \$ 55.75 | | | 209,999 |
| Health and Human Services | | | | | | |
| Public Health | 14,824,600 | 443,623 | 33.42 | per capita, entire county | 1,102 | 36,826 |
| Behavioral Wellness | 4,493,300 | 443,623 | 10.13 | per capita, entire county | 1,102 | 11,162 |
| Social Services | 17,175,700 | 443,623 | 38.72 | per capita, entire county | 1,102 | 42,666 |
| Child Support Services | - | 443,623 | - | per capita, entire county | 1,102 | - |
| First 5, Children & Families | 850,300 | 443,623 | 1.92 | per capita, entire county | 1,102 | 2,112 |
| Total Health and Human Services | 37,343,900 | | \$ 84.18 | | | 92,766 |
| Community Resources and Public Facilities | | | | | | |
| Agricultural Commissioner/W&M | 1,054,200 | 551,543 | 1.91 | per service population, entire county | 1,198 | 2,289 |
| Community Services | 16,456,100 | 551,543 | 29.84 | per service population, entire county | 1,198 | - |
| Planning & Development | - | 551,543 | - | not used | 1,198 | - |
| Public Works | 13,113,150 | 551,543 | 23.78 | per service population, entire county | 1,198 | 28,471 |
| Total Community Resources and Public Facilities | 30,623,450 | | \$ 55.52 | | | 30,760 |

Table 16
General Fund Financing Requirements Calculations - Santa Barbara County
Richards Ranch LAFCO Fiscal Analysis

| Description | Net General Fund Contribution | County Equivalent Units | Factor | Measurement | Project Equivalent Units | Financing Requirements |
|--|-------------------------------|-------------------------|------------------|---------------------------------------|--------------------------|------------------------|
| | [1] | [2] | [1]/[2] = [3] | | [4] | [3]x[4] |
| General Government and Support Services | | | | | | |
| Auditor-Controller | 4,633,750 | 549,959 | 8.43 | per service population, entire county | 1,198 | 10,090 |
| Clerk-Recorder-Assessor | 7,326,250 | 549,959 | 13.32 | per service population, entire county | 1,198 | 15,952 |
| Debt Service | - | 549,959 | - | not used | 1,198 | - |
| General Services | 10,330,400 | 549,959 | 18.78 | per service population, entire county | 1,198 | 22,494 |
| Human Resources | 3,987,150 | 549,959 | 7.25 | per service population, entire county | 1,198 | 8,682 |
| Information Technology | 504,050 | 549,959 | 0.92 | per service population, entire county | 1,198 | 1,098 |
| Treasurer-Tax Collector- Public | 3,050,700 | 549,959 | 5.55 | per service population, entire county | 1,198 | 6,643 |
| Total General Government and Support Services | 29,832,300 | | \$ 54.24 | | | 64,958 |
| General County Programs | | | | | | |
| General County Programs | 1,372,800 | 549,959 | 2.50 | per service population, entire county | 1,198 | 2,989 |
| Total General County Programs | 1,372,800 | | \$ 2.50 | | | 2,989 |
| Total Financing Requirements | \$ 136,697,600 | | \$ 275.39 | | | \$ 429,247 |

Source: County of Santa Barbara, Recommended Budget, FY 2024-2025; TNDG, Tables 15 and 26.

Table 17
Estimated Property Tax Calculations - City/County General Fund, Fire District, and School Districts
Richards Ranch LAFCO Fiscal Analysis

| | | |
|---|------------------|--------------------|
| Property Tax | | |
| Estimated Property Value (\$000s) | <i>A</i> | \$356,814 |
| Base Property Tax Rate | <i>B</i> | 1.0% |
| Total Property Tax Revenue | $C = A \times B$ | \$3,568,136 |
| City General Fund Share, Post Annexation | | |
| City General Fund Post ERAF Share of Basic Tax (Table 19b) | <i>D</i> | 12.1% |
| Total City Gen. Fund Tax Share After Annexation | $E = C \times D$ | \$429,968 |
| County General Fund Share, Post Annexation | | |
| County General Fund Post ERAF Share of Basic Tax (Table 18) | <i>F</i> | 10.8% |
| Total County Gen. Fund Tax Share After Annexation | $G = F \times C$ | \$385,732 |
| County Fire District Share, Post Annexation | | |
| County General Fund Post ERAF Share of Basic Tax (Table 18) | <i>H</i> | 8.4% |
| Total County Gen. Fund Tax Share After Annexation | $I = H \times C$ | \$301,391 |
| School Districts Share, Post Annexation¹ | | |
| School Districts Post ERAF Share of Basic Tax (Table 18) | <i>J</i> | 48.3% |
| Total School Districts Tax Share After Annexation | $K = J \times C$ | \$1,723,660 |

Source: TNDG, Tables 4, 28, and 29.

Note:

1. Includes Orcutt Union Elem Dist General; Santa Maria Jt HS Dist General; and Allan Hancock CC Dist General.

Table 18
Estimated Vehicle License Fee (VLF) / Property Tax Swap
Legacy Highlands LAFCO Fiscal Analysis

| | | Total Amount |
|---|------------------------------------|------------------|
| <u>Santa Barbara County</u> | | |
| VLF/Property Tax Swap | A | \$74,128,000 |
| County Assessed Valuation (AV), FY 2023-24 (\$000s) | B | \$110,126,900 |
| Net Incremental Assessed Value from Project (\$000s) | C | \$356,814 |
| Percentage Increase over FY 2020-21 Base Assessed Value | $D = C / B$ | 0.3% |
| New VLF/Property Tax Swap | $E = D \times A$ | \$240,176 |
| <u>City of Santa Maria</u> | | |
| VLF/Property Tax Swap | F | \$10,884,750 |
| City Assessed Valuation (AV), FY 2023-24 (\$000s) | G | \$11,511,734 |
| Net Incremental Assessed Value from Project (\$000s) | H | \$356,814 |
| Percentage Increase over FY 2023-24 Base Assessed Value | $I = H / G$ | 3.1% |
| New VLF/Property Tax Swap | $J = I \times G$ | \$337,380 |

Source: County of Santa Barbara, Recommended Budget, FY 2023-2024; Santa Barbara County; CA State Controller's Office, Open Data Portal; City of Santa Maria, Adopted Budget, For Fiscal Years 2022-24.

Table 19
Estimated Property Transfer Tax Revenue
Richards Ranch LAFCO Fiscal Analysis

| | | Residential (Townhomes) | Residential (Apartments) | Nonresidential | Project Total |
|---|--|----------------------------|-----------------------------|----------------|------------------|
| Estimated Property Value (\$000s) | <i>A</i> | \$72,500 | \$230,640 | \$53,674 | \$356,814 |
| Average Holding Period (years) | <i>B</i> | 7 | 15 | 15 | |
| Tax Rate ¹ | <i>C</i> | 0.055% | 0.055% | 0.055% | |
| Annual Property Transfer Tax Revenue | $D = (A / B) \times C$ | \$5,696 | \$8,457 | \$1,968 | \$16,121 |

Source: TNDG, Tables 3 and 4.

Note:

1. Both the City of Santa Maria and Santa Barbara County receive Property Transfer Tax at a rate of 0.055% of the sales price of all real estate transactions in the City of Santa Maria.

Table 20
Estimated Sales Tax Revenue
Richards Ranch LAFCO Fiscal Analysis

| | | Low Scenario | High Scenario |
|--|-------------------------------|------------------|------------------|
| <u>Local Sales Tax Revenue</u> | | | |
| Total On-Site Taxable Sales | <i>A</i> | \$23,465,750 | \$28,158,900 |
| Total Resident-Generated Taxable Sales | <i>B</i> | \$9,297,672 | \$12,086,973 |
| On-Site + Resident-Generated Taxable Sales | $C = A + B$ | \$32,763,422 | \$40,245,873 |
| Local Sales Tax Rate | <i>D</i> | 1.0% | 1.0% |
| Total Sales Tax Revenue | $E = C \times D$ | \$327,634 | \$402,459 |
| On-Site Sales Tax Revenue as a Share of Total Sales & Use Tax ¹ | <i>F</i> | 86.5% | 86.5% |
| Estimated Use Tax Revenue Allocation Generated by Base Sales Tax | $G = E / F - E$ | \$51,134 | \$62,811 |
| Total Sales + Use Tax - Santa Maria | $H = G + E$ | \$378,768 | \$465,270 |

Source: TNDG, Tables 6 and 8; HdL Companies.

Note:

1. According to data from the HdL Companies, approximately 12%-15% of a local jurisdiction's total sales and use tax revenues are derived from their share of the countywide pools. The midpoint of this range is 13.5%, indicating point of sale tax accounts for about 86.5% of total sales & use tax.

Table 21
Estimated Measure U Sales Tax Revenue
Richards Ranch LAFCO Fiscal Analysis

| | | Low Scenario | High Scenario |
|---|-------------------------|------------------|------------------|
| <u>Local Measure U Sales Tax Revenue</u> | | | |
| Total Taxable Sales (000s) | <i>A</i> | \$32,763 | \$40,246 |
| Measure U Local Sales Tax Rate ¹ | <i>B</i> | 1.0% | 1.0% |
| Total Measure U Sales Tax Revenue | <i>C = A x B</i> | \$327,634 | \$402,459 |

Source: TNDG, Table 23; City of Santa Maria, Adopted Budget, For Fiscal Years 2024-26.

Note:

1. Passed in November 2018, Measure U is a 1.0% sales tax in addition to the general 1.0% local sales tax. This general-purpose tax is used primarily to fund services public safety, parks, library, and code enforcement. The Measure U Fund is combined with the General Fund for financial reporting purposes.

Table 22
Estimated Public Safety Sales Tax Revenue
Richards Ranch LAFCO Fiscal Analysis

| | | Low Scenario | High Scenario |
|---|------------------|------------------|------------------|
| Total Taxable Sales (000s) | <i>A</i> | \$32,763 | \$40,246 |
| Public Safety Sales Tax Rate | <i>B</i> | 0.5% | 0.5% |
| Public Safety Sales Tax Revenue | $C = A \times B$ | \$163,817 | \$201,229 |
| <u>County Share</u> | | | |
| County Share of Public Safety Tax Revenue | <i>D</i> | 97.5% | 97.5% |
| County Public Safety Sales Tax Revenue | $E = C \times D$ | \$159,722 | \$196,199 |
| <u>City Share</u> | | | |
| City Share of Public Safety Sales Tax Revenue | <i>F</i> | 0.8% | 0.8% |
| City Public Safety Sales Tax Revenue | $G = C \times F$ | \$1,311 | \$1,610 |

Source: TNDG, Tables 20 and 30.

Table 23
Interest Earnings Calculation - City of Santa Maria
Richards Ranch LAFCO Fiscal Analysis

| Interest Earnings Percentage | | General Fund | |
|-------------------------------------|-----------|---------------------|-------------|
| Total Revenue (Table 9) | A | \$ | 117,722,442 |
| Interest Revenue (Table 9) | B | | 2,285,796 |
| Non-Interest Revenue | C = A - B | | 115,436,646 |
| Interest Earnings Percentage | D = B / C | | 1.98% |

| General Fund Revenue Sources | Non-Interest Rev. | Interest Earnings % | Interest Earnings |
|-------------------------------------|--------------------------|----------------------------|--------------------------|
| | [1] | [2] | [1]x[2] |
| Secured Property Tax | \$ 385,732 | | |
| Property Tax Transfer | 16,121 | | |
| Property Tax In-lieu of VLF | 240,176 | | |
| Total | \$ 642,029 | 1.98% | \$ 12,712 |

Source: City of Santa Maria, Adopted Budget, For Fiscal Years 2022-24; TNDG, Tables 9, and 17-19.

Table 24
Interest Earnings Calculation for Measure A and Public Transit Funds - City of Santa Maria
Richards Ranch LAFCO Fiscal Analysis

| Interest Earnings Percentage | | Measure A | Public Transit |
|-------------------------------------|-----------|------------------|-----------------------|
| Total Revenue (Table 10) | A | \$ 7,814,779 | \$ 19,907,358 |
| Interest Revenue (Table 10) | B | 105,950 | \$ 325,965 |
| Non-Interest Revenue | C = A- B | 7,708,829 | 19,581,393 |
| Interest Earnings Percentage | D = B / C | 1.37% | 1.66% |

| Operating Fund | Non-Interest Rev. | Interest Earnings % | Interest Earnings |
|-----------------------|--------------------------|----------------------------|--------------------------|
| | [1] | [2] | [1]x[2] |
| Measure A | \$ 74,286 | 1.37% | \$ 1,021 |
| Public Transit | 63,844 | 1.66% | 1,063 |
| Total | \$ 138,131 | | \$ 2,084 |

Source; City of Santa Maria, Adopted Budget, For Fiscal Years 2022-24; TNDG, Table 10.

Table 25
Interest Earnings Calculation - Santa Barbara County
Richards Ranch LAFCO Fiscal Analysis

| Interest Earnings Percentage | | General Fund | | |
|-------------------------------------|-----------|---------------------|-------------|--|
| Total Revenue (Table 14) | A | \$ | 327,382,800 | |
| Interest Revenue (Table 14) | B | | 1,938,000 | |
| Non-Interest Revenue | C = A- B | | 325,444,800 | |
| Interest Earnings Percentage | D = B / C | | 0.60% | |

| General Fund Revenue Sources | Non-Interest Rev. | Interest Earnings % | Interest Earnings |
|-------------------------------------|--------------------------|----------------------------|--------------------------|
| | [1] | [2] | [1]x[2] |
| Secured Property Tax | \$ 385,732 | | |
| Property Tax Transfer | 16,121 | | |
| Property Tax In-lieu of VLF | 240,176 | | |
| Total | \$ 642,029 | 0.60% | \$ 3,852 |

Source: TNDG, Tables 14 and 17-19; County of Santa Barbara, Recommended Budget, FY 2022-2023.

Table 26
Summary of Service Area Population-Related Assumptions
Richards Ranch LAFCO Fiscal Analysis

| Variable | |
|--|---------|
| <i>Population</i> ¹ | |
| Total County Resident Population | 443,623 |
| Total County - Average HH Size | 2.78 |
| Unincorporated County Resident Population | 139,158 |
| Unincorporated County - Average HH Size | 2.64 |
| Sheriff Service Area Population ² | 195,050 |
| Fire District Service Area Population ³ | 182,306 |
| City of Santa Maria Resident Population | 110,608 |
| City of Santa Maria - Average HH Size | 3.61 |
| <i>Employment</i> ⁴ | |
| Total County Employment | 215,839 |
| Unincorporated County Employment | 88,007 |
| Sheriff Service Area Employment ² | 128,583 |
| Fire District Service Area Employment ³ | 121,157 |
| City of Santa Maria Employment | 11,394 |
| Employee Weighting Factor | 0.50 |
| Effective Employee Population-Total County | 107,920 |
| Effective Employee Population-Unincorporated County | 44,003 |
| Effective Employee Population-Sheriff Service Area | 64,291 |
| Effective Employee Population-Fire District Service Area | 60,579 |
| Effective Employee Population-City of Santa Maria | 5,697 |
| <i>Total Service Population</i> | |
| Total County Service Population | 551,543 |
| Total Unincorporated County Service Population | 183,161 |
| Total Sheriff Service Area Population | 259,341 |
| Total Fire District Service Area Population | 242,885 |
| Total City of Santa Maria Service Area Population | 116,305 |

Source: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State, January 1, 2020-2024 Sacramento, California, May 2024; Bureau of Labor Statistics (BLS), Quarterly Census of Employment and Wages (QCEW), All Employees in Total Covered Total, 2023. U.S. Census Bureau, Longitudinal-Employer Household Dynamics Program, accessed at <https://onthemap.ces.census.gov>.

Notes:

1. As of January 1, 2024
2. Unincorporated area plus cities of Buellton, Carpinteria, Goleta, and Solvang.
3. Unincorporated area plus cities of Buellton, Goleta, and Solvang.
4. Annual Average, 2023

Table 27a
Taxable Sales by Category - Santa Maria, Santa Barbara County, and California
Richards Ranch LAFCO Fiscal Analysis

| Type of Business | 2023 Taxable Sales (\$000s) | | |
|---|-----------------------------|--------------------|----------------------|
| | Santa Maria | SB County | CA |
| Motor Vehicle and Parts Dealers | \$466,446 | \$918,590 | \$103,274,029 |
| Home Furnishings and Appliance Stores | 57,422 | 260,341 | 31,571,114 |
| Building Material and Garden Equipment and Supplies Dealers | 240,198 | 678,720 | 49,231,753 |
| Food and Beverage Stores | 129,636 | 513,705 | 34,700,617 |
| Gasoline Stations | 214,985 | 744,312 | 63,541,643 |
| Clothing and Clothing Accessories Stores | 104,174 | 405,354 | 48,703,455 |
| General Merchandise Stores | 360,489 | 672,319 | 67,343,669 |
| Food Services and Drinking Places | 258,706 | 1,359,847 | 108,416,494 |
| Other Retail Group | 101,907 | 1,076,596 | 122,780,974 |
| Total | \$1,933,962 | \$6,629,785 | \$629,563,749 |
| GAFO Subtotal | \$623,992 | \$2,414,610 | \$270,399,213 |

Sources: CA Dept. of Tax and Fee Administration; TNDG.

Note: GAFO = General Merchandise, Apparel, Furniture/Appliances, and Other/Specialty Retail

Table 27b
Taxable Sales per \$1,000 in Household Income - Santa Maria, Santa Barbara County, and California
Richards Ranch LAFCO Fiscal Analysis

| | Santa Maria | SB County | CA | Implied SM City Capture Rate | |
|--|-----------------|-----------------|-----------------|------------------------------|-------------|
| | | | | SB County | CA |
| Aggregate Household Income (\$000s) | 2,756,952 | 18,952,247 | 1,842,505,300 | | |
| <u>Taxable sales per \$1,000 in Household Income by Category</u> | | | | | |
| Motor Vehicle and Parts Dealers | 169.19 | 48.47 | 56.05 | 100% | 100% |
| Building Material and Garden Equipment and Supplies Dealers | 87.12 | 35.81 | 26.72 | 100% | 100% |
| Food and Beverage Stores | 47.02 | 27.11 | 18.83 | 100% | 100% |
| Gasoline Stations | 77.98 | 39.27 | 34.49 | 100% | 100% |
| Food Services and Drinking Places | 93.84 | 71.75 | 58.84 | 100% | 100% |
| GAFO | 226.33 | 127.40 | 146.76 | 100% | 100% |
| Total / Average | \$701.49 | \$222.41 | \$194.93 | 100% | 100% |

Source: CA Dept. of Tax and Fee Administration; U.S. Census Bureau; TNDG.

Note: GAFO = General Merchandise, Apparel, Furniture/Appliances, and Other/Specialty Retail

Table 27c
Annual Retail Expenditures by Income Group Categories
Richards Ranch LAFCO Fiscal Analysis

| Variable | | <i>Income Range</i> | | | | | | | |
|---|------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------|------------------------------|--------------------------|
| | | \$15,000 to \$29,999 | \$30,000 to \$39,999 | \$40,000 to \$49,999 | \$50,000 to \$69,999 | \$70,000 to \$99,999 | \$100,000 to \$149,999 | \$150,000 to \$199,999 | \$200,000 and more |
| Estimated Percent of Income Spent on Retail | A | 72.5% | 63.2% | 50.6% | 44.8% | 40.8% | 34.8% | 30.6% | 21.6% |
| Estimated % Taxable | B | 78.0% | 79.9% | 79.0% | 79.2% | 82.2% | 83.3% | 83.6% | 86.6% |
| Estimated Percent of Income Spent on Taxable Retail | C = A x B | 56.6% | 50.5% | 40.0% | 35.5% | 33.5% | 29.0% | 25.6% | 18.7% |

Sources: Bureau of Labor Statistics (BLS), 2023 Consumer Expenditure Survey (CES); TNDG.

Table 28
Post-ERAF Share of Basic 1.0% Property Tax Calculation (COUNTY)
Richards Ranch LAFCO Fiscal Analysis

| District | District Name | TRA 080-041¹ | Transfer to City After Annexation² | County Share After Annexation |
|-----------------|--|------------------------------------|--|--|
| 0001 | Santa Barbara County General | 0.144139 | 25% | 0.1081046 |
| 2140 | CSA 5 | 0.006563 | | |
| 2280 | SB County Fire Protection Dist | 0.168935 | 50% | 0.0844673 |
| 2400 | SB County Flood Cntrl/Wtr Cnsrv | 0.002668 | | |
| 2510 | Orcutt Flood Zn 3 | 0.005465 | | |
| 2670 | North County Lighting Dist | 0.008701 | | |
| 3050 | Santa Barbara County Wtr Agency | 0.003431 | | |
| 3210 | Santa Maria Public Airport Dist | 0.011144 | | |
| 3320 | Santa Maria Cemetery Dist | 0.005800 | | |
| 4160 | SB Mosquito/Vector Dist | 0.000186 | | |
| 4500 | Cachuma Resource Cnsrv Dist | 0.000479 | | |
| 7401 | Orcutt Union Elem Dist General | 0.235767 | | |
| 8301 | Santa Maria Jt HS Dist General | 0.195338 | | |
| 9401 | Allan Hancock CC Dist General | 0.051965 | | |
| 9801 | County School Srvc Fund | 0.035912 | | |
| 9802 | Education Revenue Augmentation Fund (ERAF) | 0.123508 | | |
| Total | | <u>1.000000</u> | | <u>0.19257181</u> |

Source: Santa Barbara County Auditor-Controller's Office

- Notes:
1. TRA = Tax Rate Area
 2. Analysis assumes that 25% of County General Fund and 50% of County Fire District allocations will shift to City after Annexation.

Table 29
Post-ERAF Share of Basic 1.0% Property Tax Calculation (CITY)
Richards Ranch LAFCO Fiscal Analysis

| District | District Name | TRA¹ 080-041 | Transfer to City After Annexation² | City Share After Annexation |
|-----------------|--|------------------------------------|--|--|
| 0001 | Santa Barbara County General | 0.144139 | 25% | 0.0360349 |
| 2140 | CSA 5 | 0.006563 | | |
| 2280 | SB County Fire Protection Dist | 0.168935 | 50% | 0.0844673 |
| 2400 | SB County Flood Cntrl/Wtr Cnsrv | 0.002668 | | |
| 2510 | Orcutt Flood Zn 3 | 0.005465 | | |
| 2670 | North County Lighting Dist | 0.008701 | | |
| 3050 | Santa Barbara County Wtr Agency | 0.003431 | | |
| 3210 | Santa Maria Public Airport Dist | 0.011144 | | |
| 3320 | Santa Maria Cemetery Dist | 0.005800 | | |
| 4160 | SB Mosquito/Vector Dist | 0.000186 | | |
| 4500 | Cachuma Resource Cnsrv Dist | 0.000479 | | |
| 7401 | Orcutt Union Elem Dist General | 0.235767 | | |
| 8301 | Santa Maria Jt HS Dist General | 0.195338 | | |
| 9401 | Allan Hancock CC Dist General | 0.051965 | | |
| 9801 | County School Svc Fund | 0.035912 | | |
| 9802 | Education Revenue Augmentation Fund (ERAF) | 0.123508 | | |
| Total | | <u>1.000000</u> | | <u>0.12050211</u> |

Source: Santa Barbara County Auditor-Controller's Office

- Notes:
1. TRA = Tax Rate Area
 2. Analysis assumes that 25% of County General Fund and 50% of County Fire District allocations will shift to City after Annexation.

Table 30
Proposition 172 - Public Safety Sales Tax Allocations in Santa Barbara County
Richards Ranch LAFCO Fiscal Analysis

| Jurisdiction | FY 2023-24 | |
|----------------------|---------------------------|---------------------|
| | Actual Amounts | Distribution |
| Buellton | 0 | 0.0% |
| Carpinteria | 99,570 | 0.2% |
| Goleta | 0 | 0.0% |
| Guadalupe | 23,849 | 0.0% |
| Lompoc | 167,414 | 0.3% |
| Santa Barbara | 605,250 | 1.2% |
| Santa Maria | 389,808 | 0.8% |
| Solvang | 0 | 0.0% |
| Santa Barbara County | 49,297,279 | 97.5% |
| Total | 50,583,170 | 100.0% |

Source: California State Controller's Office, Cities Financial Data.