



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:** HCD  
**Department No.:** 055  
**For Agenda Of:** 7/07/09  
**Placement:** Set Hearing  
**Estimated Tme:** 7/14/09 20 minutes  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors

**FROM:** Department John McInnes, Director, HCD  
Director(s)  
Contact Info: Christa Coski, Chief Financial Officer, ext. 3526

**SUBJECT:** Levy Special Tax for Orcutt Community Facilities District

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence:** N/A

**Recommended Actions:**

That the Board of Supervisors set a hearing for July 14, 2009 to:

- (a) Receive the Summary of Proposed Fiscal Year 2009-2010 Tax Levy for Orcutt Community Facilities District No. 2002-1; and,
- (b) Adopt a Resolution Levying Special Taxes within the County of Santa Barbara Community Facilities District No. 2002-1.

**Summary Text:**

The Orcutt Community Facilities District No. 2002-1 (OCFD) was approved by the Board of Supervisors on October 8, 2002. The OCFD levies a special tax on residential and commercial properties that funds (1) police/sheriff protection services, (2) fire protection services, (3) maintenance of parks, parkways and open space, and (4) flood and storm protection services. The Orcutt Planning Area is located immediately south of the City of Santa Maria.

The special tax is used to offset operational and maintenance costs related to infrastructure resulting from the buildout of the Orcutt Community Plan. These services, many of which are based upon service ratio standards include, for example, the ratio of one firefighter per 4,000 residents, and one Sheriff patrol officer per 1,200 residents. Given these ratios, the Fire Department would need three additional firefighters and the Sheriff would need eight additional patrol officers at buildout in Orcutt. In addition to fire and police protection services, the OCFD also includes funding for the maintenance of parks and open space, as well as flood and storm protection services via regional basins.

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. To determine the appropriate tax rate, the independent firm of David Taussig & Associates was retained to calculate a maximum allowable tax levy based on required services.

In fiscal year 2006-2007, it was determined that 72% of the maximum allowable tax levy was sufficient to fund necessary services. Since that time, this proportionate percentage has been applied and adopted each year by the Board in order to maintain reasonable annual rate increases. Remaining consistent with this approach, the proposed levy for fiscal year 2009-2010 equates to \$163,194 and reflects 72% of the maximum allowable levy as determined by David Taussig & Associates. To collect this amount, a tax rate increase of 2% is necessary and proposed for each type of developed property as shown in the far right column of the following table.

<b>Parcel Type</b>	<b>FY 2008-2009 Actual Special Tax</b>	<b>FY 2009-2010 Recommended Special Tax</b>
<b>Tax Levy</b>	<b>\$154,933</b>	<b>\$163,194</b>
<b>Developed Property</b>		
Single Family	\$536.20 per unit	\$546.92 per unit
Multi-Family	\$364.62 per unit	\$371.91 per unit
Non-Retail Commercial/Industrial	\$0.52010/sq.ft	\$0.53050/sq.ft.
Retail Commercial	\$0.36999/sq.ft	\$0.37739/sq.ft
<b>Graded Property</b>	\$50 per lot	\$50 per lot
<b>Undeveloped Property</b>	\$0 per lot	\$0 per lot

On October 8, 2002, the Board of Supervisors adopted Resolution 02-353, which provides for the special tax to be increased annually by 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%), whichever is higher. The increase in the Los Angeles Urban CPI for use in the fiscal year 2009-2010 tax levy was 0.11%, therefore a 2% increase is reflected in the FY 2009-2010 Recommended Special Tax rate. As a comparison, the FY 2008-2009 increase was 4.17%.

**Background:** CFD No. 2002-1 is a legally constituted governmental entity established under the Mello-Roos Community Facilities Act of 1982, (the "Act") as amended. The Act provides an alternative method for the financing of certain public facilities and services. Specifically, CFD No. 2002-1 is authorized to levy an annual special tax to finance (1) police/sheriff protection services, (2) fire protection services, (3) maintenance of parks, parkways and open space, and (4) flood and storm protection services.

The authorized services are funded through an annual levy and collection of special taxes from all property subject to the tax within the community facilities district.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

Narrative: If the proposed rates are adopted, some 528 parcels will be levied at the adopted rate to generate an estimated \$163,194 for the costs of services provided within the OCFD (up from \$154,933 last year).

**Staffing Impacts:**

**Legal Positions:**

N/A

**FTEs:**

N/A

**Attachments:**

1. Administration Report Fiscal Year 2009-2010, County of Santa Barbara CFD No. 2002-1
2. Resolution Levying Special Taxes within the County of Santa Barbara Community Facilities District 2002-1

**Authored by:**

Christa Coski, CFO, HCD

**cc:**

Ed Price, Property Tax Division Chief, Auditor-Controller

Marie LaSala, Deputy County Counsel

Derek Johnson, Director, Office of Long Range Planning

Rachel Katz, Administrative Analyst, CEO