

**COUNTY OF SANTA BARBARA  
COMMUNITY FACILITIES DISTRICT  
No. 2004-1**

**June 26, 2014**

*Public Finance  
Facilities Planning  
Urban Economics*

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*Newport Beach*  
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Chicago  
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**ADMINISTRATION REPORT  
FISCAL YEAR 2014-2015**

**COUNTY OF SANTA BARBARA  
COMMUNITY FACILITIES DISTRICT NO. 2004-1**

**Prepared for**

**COUNTY OF SANTA BARBARA**  
105 East Anapamu Street, 4th Floor  
Santa Barbara, CA 93101

**Prepared by**

**DAVID TAUSSIG & ASSOCIATES, INC.**  
5000 Birch Street, Suite 6000  
Newport Beach, California 92660  
(949) 955-1500

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### **EXHIBITS**

- Exhibit A:** Boundary Map  
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## ***Introduction***

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This Mello-Roos Community Facilities District Administration Report presents the findings of the research and financial analysis performed by David Taussig & Associates, Inc. to determine the special tax requirement for Community Facilities District No. 2004-1 (Providence Landing) (“CFD No. 2004-1”) of the County of Santa Barbara (“the County”) for fiscal year 2014-2015.

CFD No. 2004-1 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. 2004-1 is authorized to levy an annual special tax to finance public park maintenance and operation. A map showing the property in CFD No. 2004-1 is included in Exhibit A.

The authorized services are funded through the annual levy and collection of special taxes from all property subject to the tax within the community facilities district. In calculating the special tax liability for fiscal year 2014-2015, this report examines the financial obligations of the current fiscal year and analyzes the level of development within CFD No. 2004-1.

This report is organized into the following sections:

### **Section I**

Section I provides an update of the development status of property within CFD No. 2004-1.

### **Section II**

Section II analyzes the fiscal year 2013-2014 special tax levy.

### **Section III**

Section III determines the financial obligations of CFD No. 2004-1 for fiscal year 2014-2015.

### **Section IV**

Section IV reviews the methodology used to apportion the special tax requirement to Homeowner Property and Residential Property. A table of the 2014-2015 special taxes for each classification of property is included.

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# ***I. Special Tax Classifications and Development Update***

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## **Special Tax Classifications**

The methodology employed to calculate and apportion the special tax is contained in a document entitled the Rate and Method of Apportionment. The Rate and Method of Apportionment defines two categories of taxable property, namely "Homeowner Property" and "Residential Property."

Homeowner Property is defined as parcels, not including Public Property and Property Owner Association Property, which has been sold and transferred title to a homeowner. Specifically, Homeowner Property for which escrow closed as of May 1 of the previous Fiscal Year will be classified as Homeowner Property in the following fiscal year. Residential Property is defined as all residentially zoned parcels not including Homeowner Property, Public Property, and Property Owner Association Property. Specifically, for each fiscal year after the opening and conveyance of the Providence Landing Park to the County, all residentially zoned parcels in CFD No. 2004-1 will be classified as Residential Property.

## **Development Update**

The table below indicates the cumulative Homeowner Property and Residential Property within CFD No. 2004-1. According to our research of title records, 266 lots had closed escrow within CFD No. 2004-1 prior to May 1, 2014. According to the County of Santa Barbara, the Providence Landing Park was conveyed to the County on August 25, 2009. Therefore, the one remaining residential lot will be classified as Residential Property for fiscal year 2014-2015.

**Community Facilities District No. 2004-1  
Fiscal Year 2014-2015  
Homeowner Property and Residential Property**

<b>Land Use</b>	<b>Number of lots</b>
Homeowner Property	266 lots
Residential Property	1 lot

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## ***II. Fiscal Year 2013-2014 Special Tax Levy***

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The aggregate special tax levy for fiscal year 2013-2014 equaled \$158,592. As of June 25, 2014, \$157,920 in special taxes had been collected by the County. A total of \$672 in special taxes are delinquent, resulting in a delinquency rate of approximately 0.42 percent.

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### ***III. Fiscal Year 2014-2015 Special Tax Requirement***

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Pursuant to the Rate and Method of Apportionment, the fiscal year 2014-2015 total Special Tax Requirement is levied to pay for the operation and maintenance of parks, reserves, and administrative expenses eligible to be funded by CFD No. 2004-1.

For fiscal year 2014-2015, the special tax requirement is equal to \$178,752 and is calculated as follows:

#### **Community Facilities District No. 2004-1 Fiscal Year 2014-2015 Special Tax Requirement**

CFD Administrative Expenses	\$7,000.00
Reserves/Maintenance of Public Park [1]	\$176,550.00
Adjustment [2]	(\$4,798.00)
<b>FISCAL YEAR 2014-2015 SPECIAL TAX REQUIREMENT</b>	<b>\$178,752.00</b>
[1] Annual maintenance amount to fund operations and maintenance of the park as determined by the County of Santa Barbara. [2] The County has decided to levy at \$672.00 per lot for Developed Property in FY 2014-2015, which is the same amount levied in FY 2013-2014. The adjustment will be funded from prior year surplus special taxes.	

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## ***IV. Method of Apportionment***

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### **Maximum Annual Special Taxes**

The amount of special taxes that CFD No. 2004-1 may levy is strictly limited by the maximum special taxes set forth in the Rate and Method of Apportionment. The Maximum Special Taxes for each classification of property are specified in Section C of the Rate and Method of Apportionment.

The initial Maximum Special Tax will escalate each Fiscal Year by the greater of the change in the Los Angeles Urban Consumer Price Index (“CPI”) during the twelve months prior to December of the previous fiscal year or 2%, commencing July 1, 2006 and continuing every July 1 thereafter. For fiscal year 2014-2015, the annual increase in the CPI was 1.14%. Therefore, an increase of 2.00% was applied to the Maximum Special Tax for fiscal year 2014-2015. However, the actual Special Tax levied remains unchanged from fiscal year 2013-2014 at \$672.00 per lot.

The maximum annual Special Tax for Homeowner Property and Residential Property is specified in Section C.1 of the Rate and Method of Apportionment.

### **Apportionment of Annual Special Taxes**

The annual special tax that is apportioned to each parcel is determined through the application of Section D of the Rate and Method of Apportionment

The first step states that the Maximum Special Tax shall be levied against each Assessor’s Parcel of Homeowner Property at up to 100% of the applicable Maximum Special Tax until the amount of the Special Taxes equals the Special Tax Requirement.

If the special taxes raised pursuant to the first step are less than the special tax requirement, then the second step will be applied as well. The second step states that the special tax shall be levied on Residential Property at up to 100% of the applicable maximum rate.

Application of the maximum special taxes under the first step generates special tax revenues of \$438,401 from Homeowner Property, which is more than sufficient to meet the fiscal year 2014-2015 Special Tax Requirement as outlined in Section III. Therefore, the fiscal year 2014-2015 special tax for Homeowner Property is equal to \$672.00 per lot, which is approximately 41 percent of the maximum special tax. The fiscal year 2014-2015 maximum and actual special taxes are shown for each classification of property in the following table.



**Community Facilities District No. 2004-1  
Fiscal Year 2014-2015 Annual Special Taxes  
For Homeowner Property and Residential Property**

Description	FY 2014-2015 Maximum Special Tax	FY 2014-2015 Actual Special Tax
Homeowner Property [1]	\$1,648.12 per lot	\$672.00 per lot
Residential Property [1]	\$1,648.12 per lot	\$0.00 per lot

[1] Pursuant to Section D of the Rate and Method of Apportionment, Homeowner Property will be levied up to its Maximum Special Tax before Residential Property is taxed.

A list of the actual special tax levied against each parcel in CFD No. 2004-1 is included in Exhibit A.

**EXHIBIT A**

*CFD No. 2004-1 of  
County of Santa Barbara*

*Boundary Map*

**County of Santa Barbara  
Community Facilities District No. 2004-1  
(Providence Landing)**



© 2014 Google

Image © 2014 DigitalGlobe

1994

Imagery Date: 4/18/2013 34°41'36.60" N 120°28'11.41" W elev

**EXHIBIT B**

*CFD No. 2004-1 of  
County of Santa Barbara*

*Special Tax Levy  
Fiscal Year 2014-2015*

**Exhibit B**

**County of Santa Barbara  
Community Facilities District 2004-1  
FY 2014-2015 Special Tax Levy**

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<u>APN</u>	<u>FY 2014-2015 SPECIAL TAX</u>
097-077-08	\$672.00
098-001-01	\$672.00
098-001-02	\$672.00
098-001-03	\$672.00
098-001-04	\$672.00
098-001-05	\$672.00
098-001-06	\$672.00
098-001-07	\$672.00
098-001-08	\$672.00
098-001-09	\$672.00
098-001-10	\$672.00
098-001-11	\$672.00
098-001-12	\$672.00
098-001-14	\$672.00
098-001-15	\$672.00
098-001-16	\$672.00
098-001-17	\$672.00
098-001-18	\$672.00
098-001-19	\$672.00
098-001-20	\$672.00
098-001-21	\$672.00
098-001-22	\$672.00
098-001-23	\$672.00
098-001-24	\$672.00
098-001-25	\$672.00
098-001-26	\$672.00
098-001-27	\$672.00
098-001-28	\$672.00
098-001-29	\$672.00
098-001-31	\$672.00
098-002-02	\$672.00
098-002-03	\$672.00
098-002-04	\$672.00
098-002-05	\$672.00
098-002-06	\$672.00
098-002-07	\$672.00
098-002-08	\$672.00
098-002-09	\$672.00
098-002-10	\$672.00
098-002-11	\$672.00
098-002-12	\$672.00
098-002-13	\$672.00
098-002-14	\$672.00
098-002-15	\$672.00
098-002-16	\$672.00
098-002-17	\$672.00
098-002-18	\$672.00
098-002-19	\$672.00
098-002-20	\$672.00

**Exhibit B**

**County of Santa Barbara  
Community Facilities District 2004-1  
FY 2014-2015 Special Tax Levy**

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<u>APN</u>	<u>FY 2014-2015 SPECIAL TAX</u>
098-002-21	\$672.00
098-002-22	\$672.00
098-002-23	\$672.00
098-002-24	\$672.00
098-002-25	\$672.00
098-002-26	\$672.00
098-003-01	\$672.00
098-003-02	\$672.00
098-003-03	\$672.00
098-003-04	\$672.00
098-003-05	\$672.00
098-003-06	\$672.00
098-003-07	\$672.00
098-003-08	\$672.00
098-003-09	\$672.00
098-003-10	\$672.00
098-003-11	\$672.00
098-003-12	\$672.00
098-003-13	\$672.00
098-003-14	\$672.00
098-003-15	\$672.00
098-003-16	\$672.00
098-003-17	\$672.00
098-003-18	\$672.00
098-003-19	\$672.00
098-003-20	\$672.00
098-004-01	\$672.00
098-004-02	\$672.00
098-004-03	\$672.00
098-004-04	\$672.00
098-004-05	\$672.00
098-004-06	\$672.00
098-004-07	\$672.00
098-004-08	\$672.00
098-004-09	\$672.00
098-004-10	\$672.00
098-004-11	\$672.00
098-004-12	\$672.00
098-004-13	\$672.00
098-004-14	\$672.00
098-004-15	\$672.00
098-004-16	\$672.00
098-004-17	\$672.00
098-004-18	\$672.00
098-004-19	\$672.00
098-004-20	\$672.00
098-004-21	\$672.00
098-004-22	\$672.00
098-004-23	\$672.00

**Exhibit B**

**County of Santa Barbara  
Community Facilities District 2004-1  
FY 2014-2015 Special Tax Levy**

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<u>APN</u>	<u>FY 2014-2015 SPECIAL TAX</u>
098-004-24	\$672.00
098-004-25	\$672.00
098-007-01	\$672.00
098-008-01	\$672.00
098-008-02	\$672.00
098-008-03	\$672.00
098-008-04	\$672.00
098-008-05	\$672.00
098-008-06	\$672.00
098-008-07	\$672.00
098-008-08	\$672.00
098-008-09	\$672.00
098-008-10	\$672.00
098-008-11	\$672.00
098-008-12	\$672.00
098-008-13	\$672.00
098-008-14	\$672.00
098-008-15	\$672.00
098-008-16	\$672.00
098-008-17	\$672.00
098-008-18	\$672.00
098-008-19	\$672.00
098-008-20	\$672.00
098-008-21	\$672.00
098-008-22	\$672.00
098-008-23	\$672.00
098-008-24	\$672.00
098-008-25	\$672.00
098-008-26	\$672.00
098-008-27	\$672.00
098-009-01	\$672.00
098-009-02	\$672.00
098-009-03	\$672.00
098-009-04	\$672.00
098-009-05	\$672.00
098-009-06	\$672.00
098-009-07	\$672.00
098-009-08	\$672.00
098-009-09	\$672.00
098-009-10	\$672.00
098-009-11	\$672.00
098-009-12	\$672.00
098-009-13	\$672.00
098-009-14	\$672.00
098-009-15	\$672.00
098-009-16	\$672.00
098-009-17	\$672.00
098-010-01	\$672.00
098-010-02	\$672.00

**Exhibit B**

**County of Santa Barbara  
Community Facilities District 2004-1  
FY 2014-2015 Special Tax Levy**

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<u>APN</u>	<u>FY 2014-2015 SPECIAL TAX</u>
098-010-03	\$672.00
098-010-05	\$672.00
098-010-06	\$672.00
098-010-07	\$672.00
098-010-08	\$672.00
098-010-09	\$672.00
098-010-10	\$672.00
098-010-11	\$672.00
098-010-12	\$672.00
098-010-13	\$672.00
098-010-14	\$672.00
098-010-15	\$672.00
098-010-16	\$672.00
098-010-17	\$672.00
098-010-18	\$672.00
098-010-19	\$672.00
098-010-20	\$672.00
098-011-01	\$672.00
098-011-02	\$672.00
098-011-03	\$672.00
098-011-04	\$672.00
098-011-05	\$672.00
098-011-06	\$672.00
098-011-07	\$672.00
098-011-08	\$672.00
098-011-09	\$672.00
098-011-10	\$672.00
098-011-11	\$672.00
098-011-12	\$672.00
098-011-13	\$672.00
098-011-14	\$672.00
098-011-15	\$672.00
098-011-16	\$672.00
098-011-17	\$672.00
098-011-18	\$672.00
098-011-19	\$672.00
098-011-20	\$672.00
098-011-21	\$672.00
098-011-22	\$672.00
098-011-23	\$672.00
098-011-24	\$672.00
098-011-25	\$672.00
098-011-26	\$672.00
098-011-27	\$672.00
098-011-28	\$672.00
098-011-29	\$672.00
098-011-30	\$672.00
098-011-31	\$672.00
098-011-32	\$672.00



**Exhibit B**

**County of Santa Barbara  
Community Facilities District 2004-1  
FY 2014-2015 Special Tax Levy**

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<u>APN</u>	<u>FY 2014-2015 SPECIAL TAX</u>
098-011-33	\$672.00
098-011-34	\$672.00
098-011-35	\$672.00
098-011-36	\$672.00
098-011-37	\$672.00
098-011-38	\$672.00
098-011-39	\$672.00
098-011-40	\$672.00
098-011-41	\$672.00
098-011-42	\$672.00
098-011-43	\$672.00
098-011-44	\$672.00
098-011-45	\$672.00
098-011-46	\$672.00
098-011-47	\$672.00
098-011-48	\$672.00
098-011-49	\$672.00
098-011-50	\$672.00
098-011-51	\$672.00
098-011-52	\$672.00
098-011-53	\$672.00
098-011-54	\$672.00
098-011-55	\$672.00
098-011-56	\$672.00
098-011-57	\$672.00
098-011-58	\$672.00
098-011-59	\$672.00
098-011-60	\$672.00
098-011-61	\$672.00
098-012-01	\$672.00
098-012-02	\$672.00
098-012-03	\$672.00
098-012-04	\$672.00
098-012-05	\$672.00
098-012-06	\$672.00
098-012-07	\$672.00
098-012-08	\$672.00
098-012-09	\$672.00
098-012-10	\$672.00
098-012-11	\$672.00
098-012-12	\$672.00
098-012-13	\$672.00
098-012-14	\$672.00
098-013-01	\$672.00
098-013-02	\$672.00
098-013-03	\$672.00
098-013-04	\$672.00
098-013-05	\$672.00
098-013-06	\$672.00

**Exhibit B****County of Santa Barbara  
Community Facilities District 2004-1  
FY 2014-2015 Special Tax Levy**

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<u>APN</u>	<u>FY 2014-2015 SPECIAL TAX</u>
098-013-07	\$672.00
098-013-08	\$672.00
098-013-09	\$672.00
098-013-10	\$672.00
098-013-11	\$672.00
098-013-12	\$672.00
098-013-13	\$672.00
098-013-14	\$672.00
098-013-15	\$672.00
098-013-16	\$672.00
098-013-17	\$672.00
098-013-18	\$672.00
098-013-19	\$672.00
098-013-20	\$672.00
098-013-21	\$672.00
098-013-22	\$672.00
098-013-23	\$672.00
098-013-24	\$672.00
098-013-25	\$672.00
098-013-26	\$672.00
098-013-27	\$672.00
<b>Total Number of Parcels Taxed</b>	<b>266</b>
<b>Total FY 2014-2015 Special Tax</b>	<b>\$178,752.00</b>