



**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

Submitted on:
(COB Stamp)

Department Name: County Executive Office
Department No.: 012
For Agenda Of: 8/8/06
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director: Michael F. Brown, CEO
Contact Info: Ron Cortez, Deputy CEO, 568-3400

SUBJECT: Detachment of "Lot F" of Rice Ranch from the Orcutt Community Facilities District, 4th District

County Counsel Concurrence:

As to form/legality: Yes No N/A

Auditor-Controller Concurrence:

As to form: Yes No N/A

Recommended Action(s):

That the Board of Supervisors:

(A) Adopt the Resolution Amending the Orcutt Community Facilities District Boundary Map and Amending the Notice of Special Tax Lien (Attachment 1) to detach Rice Ranch "Lot F" (APN 101-380-04) from the Orcutt Community Facilities District (OCFD) and being subject to the levying of Special Taxes associated with the OCFD.

Summary:

"Lot F" consists of 20 acres on the most southern section of the Rice Ranch property. When Texaco sold the Rice Ranch property in 1996, the original sale agreement required that "Lot F," once created by the Master Rice Ranch Map, be transferred back to Texaco or its successor. The Rice Ranch Final Master Map TM 14,636 and the Development Agreement for the Rice Ranch project were approved by the Board of Supervisors on December 9, 2003. However "Lot F", which was to be open space and revert back to its prior owner, was inadvertently included as part of the Development Agreement. The Board of Supervisors approved the partial release of "Lot F" from the Rice Ranch Development Agreement on April 11, 2006. However, "Lot F" has not been removed from the Orcutt Community Facilities District and is subject to the Special Tax levied on the parcels within the District. Therefore, "Lot F" needs to detach from the Orcutt Community Facilities District. The recommended actions before the Board will amend the existing Orcutt Community Facilities District Boundary Map (Attachment B) and the Special Tax Lien for the Orcutt Community Facilities District (Attachment C) to exclude "Lot F" as per Government Code Sections 3113 and 3117. The proposed Boundaries of County of Santa Barbara Community Facilities District No. 2002-1 is attached as Attachment D.

Background:

The Orcutt Community Facilities District No. 2002-1 was formed within the Orcutt Planning Area, located immediately south of the City of Santa Maria on October 8, 2002. Rice Ranch was included in the original boundary of the Community Facilities District. The community facilities district is a special financing entity that pays for the cost of providing certain County services to the Orcutt area through the annual levying of a special tax rate on developed and graded property located within the boundaries of the district. The Orcutt Community Facilities District No. 2002-1 authorizes funds to be used for fire and sheriff protection services, maintenance of

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parcs, parkways and open space, and flood and storm protection services within the Orcutt community. Resolution No. 02-355, also adopted on October 8, 2002 directed the Clerk of the Board to record a notice of special tax lien. The Rice Ranch Final Master Map TM 14,636 and the Development Agreement for the Rice Ranch project were approved by the Board of Supervisors on December 9, 2003. The Board of Supervisors approved the partial release of "Lot F" from the Rice Ranch Development Agreement on April 11, 2006.

Government Code Section 3113 states "The legislative body shall not order a modification in the boundaries of a district shown on a previously filed map of the district unless the legislative body describes the proposed modification by reference to an amended map of the district boundary. The amended map shall be approved by resolution adopted by the legislative body and the clerk of the legislative body shall file the amended map showing the modification of boundaries of the district with the county recorder no later than 10 days after the resolution of the legislative body approving the amended boundary."

Government Code Section 3117.5 (a) states "In the event of amendment of modification of, or annexation to, the boundaries of a community facilities district, an amendment to the Notice of Special tax Lien shall be prepared and recorded under the procedure of Section 3114.5. In the listing of property owners, the amended notice need only list separately the names of the owners and assessor's parcel numbers of parcels being added to the district and the names of the owners and assessor's tax parcel numbers of parcels being excluded from the district. This amendment need not supersede the existing notice."

Fiscal and Facilities Impacts:

There is no fiscal impact associated with detaching this parcel from the Orcutt Community Facilities District. This parcel has not been levied any Special Taxes. Since "Lot F" is intended to be an open space lot, the County would not realize any Special Tax on this parcel in the future.

Budgeted: Yes No

Fiscal Analysis:

Narrative: Not applicable.

Staffing Impact(s):

Legal Positions:
0

FTEs:
0

Special Instructions:

Direct the Clerk of the Board to file the amended map showing the modification of boundaries of the district with the County Recorder no later than 10 days after the resolution has been adopted.

Direct the County Recorder to endorse upon the modified or amended boundary map the time and date of the filing and fasten the same securely in a book of maps of assessment and community facilities districts which the County Recorder keeps in his or her office. The county recorder shall cross-index the amended boundary map by reference to page and book of maps of assessment and community facilities districts in which the original boundary map of the affected district was filed. The amended boundary map shall include on its face that it amends the boundary map for (Orcutt Community Facilities District No. 2002-1 (Orcutt Community Plan), County of Santa Barbara, State of California, prior recorded at Book No. 4 of Maps of Assessment and Community Facilities Districts at page 23, in the office of the County Recorder for the County of Santa Barbara, State of California.

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Direct the Clerk of the Board to forward a certified minute order and completely executed copies of the resolution to the County Executive Office to the attention of Sharon Friedrichsen.

Attachments: (list all)

Attachment A: Resolution Modifying the Orcutt Community Facilities District Boundary Map and Amending the Notice of Special Tax Lien

Attachment B: Existing Orcutt Community Facilities District Boundary Map

Attachment C: Existing Notice of Special Tax Lien

Attachment D: Amended Orcutt Community Facilities District Boundary Map

Authored by:

Sharon Friedrichsen, CEO, 568-3107

cc: Marie LaSala, County Counsel

Jennifer Christensen, County Counsel

Diane Meester, Planning & Development

Laurie Tamura, Urban Planning Concepts, Inc., 2450 Professional Parkway, Suite 120, Santa Maria, CA 93455

Attachment A
RESOLUTION OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA BARBARA

RESOLUTION NO. _____

**AMENDING THE ORCUTT COMMUNITY FACILITIES DISTRICT BOUNDARY MAP
AND AMENDING THE NOTICE OF SPECIAL TAX LIEN**

(Removal of Rice Ranch “Lot F”, APN 101-380-04)

WHEREAS, the Board of Supervisors (the “Board of Supervisors”) of the County of Santa Barbara (the “County”) has formed Orcutt Community Facilities District No. 2002-1 (Orcutt Community Plan) (the “Community Facilities District”), under and pursuant to the Mello-Roos Community Facilities Act of 1982 (the “Act”); and,

WHEREAS, the Board of Supervisors also approved the Recording of Notice of Special Tax Lien on October 8, 2002 through Resolution No. 02-355;

WHEREAS, the real property described in Exhibit 1 attached hereto (the “Property”) is a twenty acre parcel known as “Lot F,” which is located within the boundaries of the Orcutt Community Facilities District No. 2002-1;

WHEREAS, Section 1.2 of the Rice Ranch Specific Plan and Condition 1M of the Conditions of Approval for Tract Map 14,636 anticipated that the Property would ultimately be reconveyed by the current owner to the prior owner of the Property. Such reconveyance could only be completed once the Property was created as a separate legal parcel in accordance with the provisions of the California Subdivision Map Act. At the time of recordation of the Notice of the Special Tax Lien, the Property was not yet a separate legal parcel and therefore could not be excluded from the legal description of the property encumbered by the lien of the special tax described in the Notice of Special Tax Lien. Once the Property was legally created, it would no longer be subject to the lien of the special tax described in the Notice of Special Tax Lien;

WHEREAS, a map entitled “Boundaries of County of Santa Barbara Community Facilities District No. 2002-1, County of Santa Barbara, State of California,” has been filed with the County Clerk of the County of Santa Barbara and is attached hereto as Exhibit 2, and;

WHEREAS, the Boundaries of County of Santa Barbara Community Facilities District No. 2002-1 cross-references the map entitled, “Proposed Boundary of Community Facilities District No. 2002-1, County of Santa Barbara, State of California,” filed for record in the office of the County of Santa Barbara on 8 October, 2002, in Book 4 of Maps of Assessment and Community Facilities Districts at page 23.

WHEREAS, the Board of Supervisors, as the legislative body of the Community Facilities District, is authorized under Government Code Section 3113 to amend the community facilities district boundary map through said Resolution;

WHEREAS, Government Code Section 3117.5 (a) states “In the event of amendment of modification of, or annexation to, the boundaries of a community facilities district, an amendment to the Notice of Special Tax Lien shall be prepared and recorded under the procedure of Section 3114.5. In the listing of property owners, the amended notice need only list separately the names of the owners and assessor’s parcel numbers of parcels being added to the

Attachment A

district and the names of the owners and assessor’s tax parcel numbers of parcels being excluded from the district. This amendment need not supersede the existing notice.”

WHEREAS, the Board of Supervisors, intends to amend the boundaries of the Orcutt Community Facilities District No. 2002-1 to detach the Property from the Orcutt Community Facilities District No. 2002-1 as depicted in Exhibit B attached hereto and amend the Notice of Special Tax Lien to detach from the Property the lien of the Special Tax described in the Notice of the Special Tax Lien;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Santa Barbara as follows:

1. The Board of Supervisors, acting as the legislative body of Orcutt Community Facilities District No. 2002-1, has amended the boundaries of the Orcutt Community Facilities District No. 2002-1 to detach the Property.
2. The Board of Supervisors, acting as the legislative body of Orcutt Community Facilities District No. 2002-1, has determined that the special tax and lien imposed upon the Property and imposed by the Notice of the Special Tax Lien recorded on October 8, 2002 as Instrument No. 2002-0103999 of the records of the County Recorder of Santa Barbara County, State of California (the “Notice of Special Tax Lien”) is extinguished as it related to the Property, pursuant to Government Code Section 5330.5.
3. The recordation of this amendment to the Notice of Special Tax Lien shall have no effect upon the lien imposed upon property located within Orcutt Community Facilities District No. 2002-1 other than the Property.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Barbara, State of California, this 8th day of August 2006, by the following votes:

AYES:
NOES:
ABSENT:
ABSTAIN:

Joni Gray, Chair, Board of Supervisors
County of Santa Barbara

ATTEST:
CLERK OF THE BOARD
MICHAEL J. BROWN

By _____
Deputy Clerk

APPROVED AS TO FORM:
STEPHEN S. STARK
COUNTY COUNSEL

APPROVED AS TO FORM:
ROBERT W. GEIS
AUDITOR-CONTROLLER

By _____
Deputy Counsel

By _____
Deputy

Attachment A
Exhibit 1

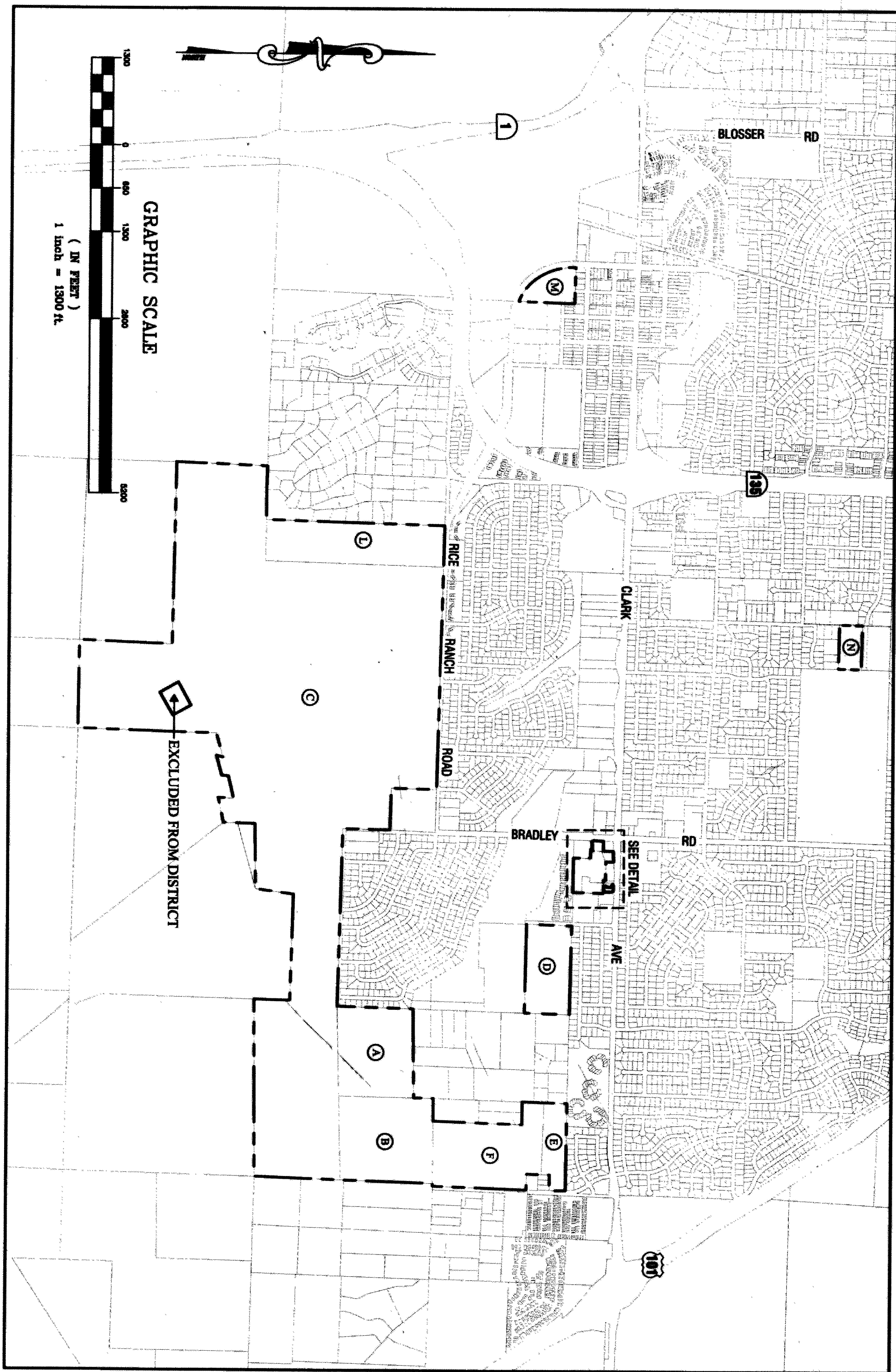
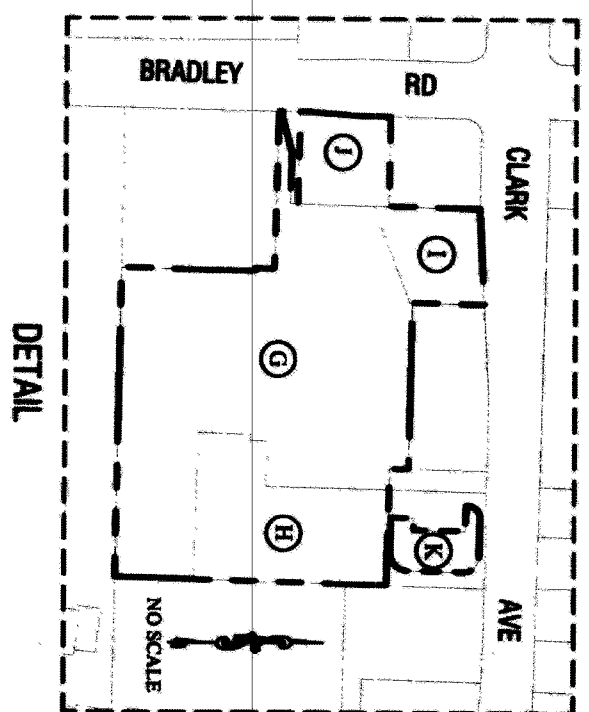
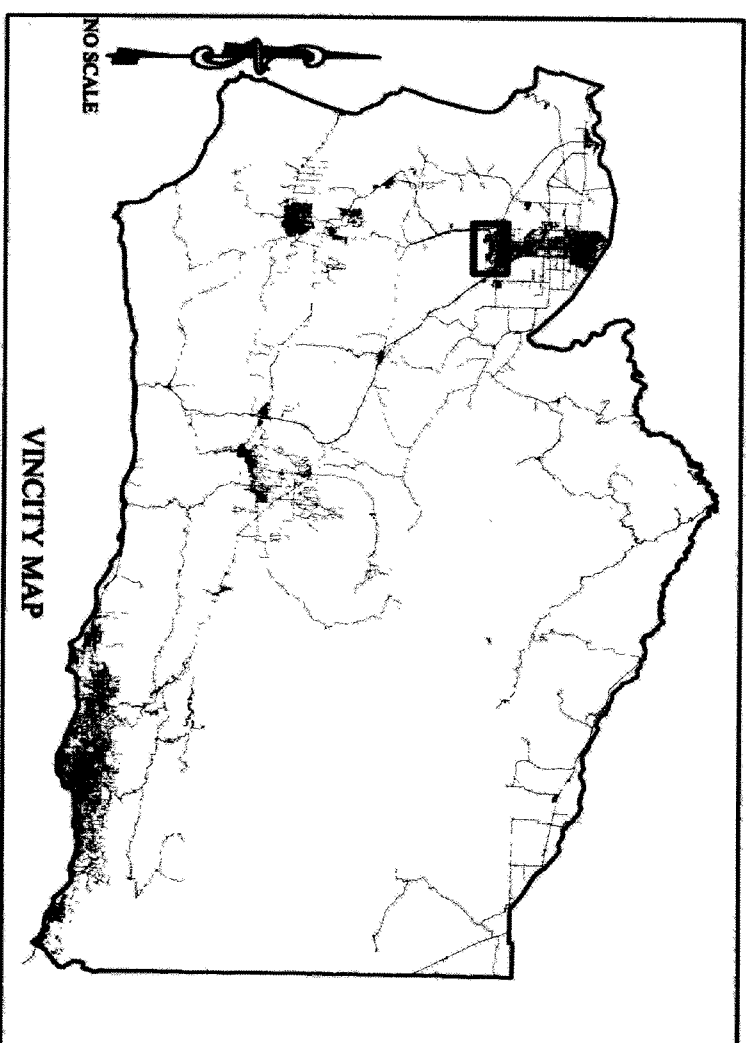
Owner of Record

Rice Ranch Ventures, LLC

Assessor Parcel Numbers

101-380-04

[Lot F of Tract 14,636, Section 23, Township 9 North, Range 34 West, San Bernardino Base and meridian, County of Santa Barbara, State of California, according to Tract Map of Tract 14,636 recorded September 29, 2005 in Book 200 of Maps, Page 93-99 of said County.]



LEGAL DESCRIPTION (APN)	APN - ASSESSOR PARCEL NUMBER
Ⓐ 101-010-002	ⓐ 103-200-026
Ⓑ 101-010-003	ⓑ 103-200-068
Ⓒ 101-010-013	ⓒ 103-200-069
	ⓓ 103-740-025
	ⓔ 103-740-028
	ⓕ 103-740-034
	ⓖ 103-740-031
	ⓗ 103-740-016
	ⓘ 103-740-032
	ⓙ 103-740-028
	ⓚ 103-740-034
	ⓛ 107-270-012
	ⓜ 105-330-004

NOTE:
 MAP AMENDS THE BOUNDARY MAP FOR THE PROPOSED BOUNDARY OF COMMUNITY FACILITIES DISTRICT 2002-1, IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, PRIOR RECORDATION IN BOOK 4 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE 22, IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA.

PROPOSED BOUNDARY OF COMMUNITY FACILITIES DISTRICT NO. 2002-1 COUNTY OF SANTA BARBARA - STATE OF CALIFORNIA

CLERK OF THE BOARD'S STATEMENT
 I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARY OF COMMUNITY FACILITIES DISTRICT 2002-1 (ORCUTT COMMUNITY PLAN) COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA BARBARA AT A REGULAR MEETING THEREOF HELD ON THE 9TH DAY OF JULY, 2002, BY RESOLUTION NO. 02-258.

FILED IN THE OFFICE OF THE COUNTY CLERK, COUNTY OF SANTA BARBARA THIS 21ST DAY OF July 2002.

MICHAEL F. BROWN
 CLERK OF THE BOARD OF SUPERVISORS
 OF SANTA BARBARA COUNTY

BY: *[Signature]*
 DEPUTY

COUNTY RECORDER'S STATEMENT
 FILED THIS 24th DAY OF July 2002, AT THE HOUR OF 2:30 O'CLOCK P.M. IN BOOK 4 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE 22, IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA.

FILED IN THE OFFICE OF THE COUNTY RECORDER, COUNTY OF SANTA BARBARA THIS 24th DAY OF July 2002.

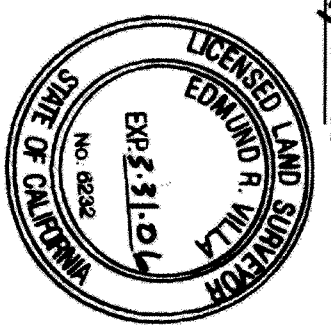
KENNETH A. PETTI
 COUNTY CLERK - RECORDER - ASSESSOR

BY: *[Signature]*
 DEPUTY

COUNTY SURVEYOR'S STATEMENT
 THIS MAP WAS PREPARED UNDER MY DIRECTION IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 27557, AT THE REQUEST OF THE TREASURER - TAX COLLECTOR OF SANTA BARBARA COUNTY. I CERTIFY THE DISTRICT LINES SHOWN HEREON ARE CONSISTENT WITH THE PROPOSED BOUNDARY OF THE COMMUNITY FACILITIES DISTRICT NO. 2002-1 APPROVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA BARBARA, ON THE 24th DAY OF July 2002, BY RESOLUTION NO. 02-258.

Deputy County Surveyor
[Signature]
 MICHAEL B. EMMONS
 COUNTY SURVEYOR
 P.L.S. 5859
 LICENSE EXPIRATION DATE 12/31/2004

DATE July 24, 2002



PROPOSED BOUNDARY OF
 COMMUNITY FACILITIES DISTRICTS 2002-1
 (ORCUTT COMMUNITY PLAN)
 COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA

SHEET
 1 OF 1



2002-0103999

RECORDING REQUESTED BY AND
AFTER RECORDATION RETURN TO:
Clerk of the Board of Supervisors of the
County of Santa Barbara
Santa Barbara, 105 East Anapamu Street
Santa Barbara, California 93101

Recorded	REC FEE	.00
Official Records	FREE CO	.00
County Of		
SANTA BARBARA		
KENNETH A. PETTIT		
Recorder		
LARRY G. HERRERA		
Assistant	njb	
08:56AM 16-Oct-2002	Page 1 of 13	

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NOTICE OF SPECIAL TAX LIEN

COUNTY OF SANTA BARBARA COMMUNITY FACILITIES DISTRICT NO. 2002-1 (ORCUTT COMMUNITY PLAN)

Pursuant to the requirements of Section 3114.5 of the California Streets and Highways Code and Section 53328.3 of the Mello-Roos Community Facilities Act of 1982 (the "Act"), the undersigned Clerk of the Board of Supervisors of the County of Santa Barbara (the "County"), State of California, hereby gives notice that a lien to secure payment of a special tax is hereby imposed by the Board of Supervisors of the County. The special tax secured by this lien is authorized to be levied for the purpose of financing the services described on Exhibit A attached hereto and hereby made a part hereof.

The special tax is authorized to be levied within the County of Santa Barbara Community Facilities District No. 2002-1 (Orcutt Community Plan) (the "Community Facilities District") which has now been officially formed and the lien of the special tax is a continuing lien which shall secure each annual levy of the special tax and which shall continue in force and effect until the special tax obligation is prepaid, permanently satisfied, and canceled in accordance with law or until the special tax ceases to be levied and a notice of cessation of special tax is recorded in accordance with Section 53330.5 of the Act. No provision has been made for prepayment of the special tax obligation.

The rate, method of apportionment, and manner of collection of the authorized special tax is as set forth in Exhibit B attached hereto and hereby made a part hereof.

Notice is further given that upon the recording of this notice in the office of the County Recorder, the obligation to pay the special tax levy shall become a lien upon all nonexempt real property within the Community Facilities District in accordance with Section 3115.5 of the California Streets and Highways Code.

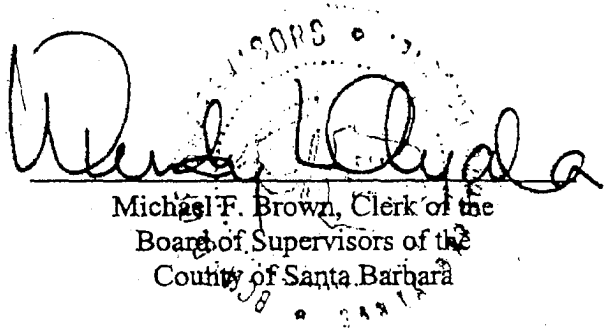
The name(s) of the owner(s) and the assessor's tax parcel number(s) of the real property included within the Community Facilities District and not exempt from the special tax are as set forth in Exhibit C attached hereto and hereby made a part hereof.

Reference is made to the boundary map of the Community Facilities District recorded at Book 4 of Maps of Assessment and Community Facilities Districts at Page 23, in the office of

the County Recorder, which map is now the final boundary map of the Community Facilities District.

For further information concerning the current and estimated future tax liability of owners or purchasers of real property subject to this special tax lien, interested persons should contact the Treasurer-Tax Collector of the County of Santa Barbara, Santa Barbara, 105 East Anapamu Street, Santa Barbara, California 93101, (805) 568-2920.

Dated: October 8, 2002



Michael F. Brown, Clerk of the
Board of Supervisors of the
County of Santa Barbara

EXHIBIT A

SERVICES TO BE FINANCED

The services to be financed by the Community Facilities District pursuant to the Act are services for (i) fire protection and suppression services, (ii) police protection services, (iii) maintenance of parks, parkways and open space, and (iv) flood and storm protection services, including, but not limited to, the operation and maintenance of storm drainage systems.

EXHIBIT B

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

**RATE AND METHOD OF APPORTIONMENT FOR
COUNTY OF SANTA BARBARA
COMMUNITY FACILITIES DISTRICT NO. 2002-1
(ORCUTT COMMUNITY PLAN)**

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in County of Santa Barbara Community Facilities District No. 2002-1 (Orcutt Community Plan) ("CFD No. 2002-1") and collected each Fiscal Year commencing in Fiscal Year 2002-03, in an amount determined by the Board through the application of the appropriate Special Tax for "Developed Property" and "Graded Property," as described below. All of the real property in CFD No. 2002-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2002-1: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the County or any designee thereof or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs to the County, CFD No. 2002-1 or any designee thereof of complying with County, CFD No. 2002-1 or obligated persons disclosure requirements associated with the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the County, CFD No. 2002-1 or any designee thereof related to an appeal of the Special Tax; and the County's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the County or CFD No. 2002-1 for any other administrative purposes of CFD No. 2002-1, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Assessor's Parcel" means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

"Board" means the Board of Supervisors of the County, acting as the legislative body of CFD No. 2002-1.

"Building Permit One-Time Special Tax" means a Special Tax collected once for each Assessor's Parcel of Residential Property and Non-Residential Property at the time a building permit is issued for such property, for all building permits issued on or after March 1, 2002. The Building Permit One-Time Special Tax shall equal \$250 per Dwelling Unit and \$0.20 per square foot of Non-Residential Floor Area. This Special Tax shall only apply to new development and additions to existing non-residential development. It shall not apply to the redevelopment of existing structures.

"CFD Administrator" means an official of the County, or any designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"CFD No. 2002-1" means County of Santa Barbara Community Facilities District No. 2002-1 (Orcutt Community Plan).

"County" means the County of Santa Barbara.

"Developed Property" means, for each Fiscal Year, all Assessor's Parcels for which a building permit has been issued on or after March 1, 2002. In addition, the real property identified on May 1, 2002 as the following Assessor's Parcels shall be considered to be Developed Property, with the square footages of Retail Commercial Property located on those Assessor's Parcels as listed below being subject to Special Taxes despite the issuance of building permits on those Assessor's Parcels prior to March 1, 2002.

Assessor's Parcel Number	Taxable Retail Commercial Square Footage
103-740-28	14,179
103-740-25	11,080
103-740-31	1,666
103-740-32	3,053
103-740-34	2,037

"Dwelling Unit" means a building or portion thereof designed for and occupied in whole or part as a residence or sleeping place, either permanently or temporarily, by one family and its guests, with sanitary facilities and one kitchen provided within the unit. Boarding or lodging houses, dormitories, and hotels shall not be defined as Dwelling Units unless the land use permit specifies a residential use.

"Final Map" means a subdivision of property creating buildable single family residential lots by recordation of a final map or a lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq., as such section may be amended or replaced), or recordation of a condominium plan pursuant to California Civil Code Section 1352, as such section may be amended or replaced, that creates individual lots for which land use permits may be issued without further subdivision.

"Graded Property" means, for each Fiscal Year, all Legal Lots for which a Land Use Permit for Grading has been issued on or after March 1, 2002, but which is not Developed Property.

"Grading Permit Special Tax" means a Special Tax of \$50 collected for each Legal Lot of Graded Property (i) at the time the Land Use Permit for Grading is issued and (ii) each Fiscal Year thereafter until that Legal Lot becomes Developed Property.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Land Use Class" means any of the classes listed in Table 1.

"Land Use Permit for Grading" means a permit issued by the Planning and Development Department of the County authorizing the commencement of any work pertaining to the grading of a Legal Lot as stated in Section 35-314.2 of the County of Santa Barbara Inland Zoning Ordinance Permit Procedures, as such section may be amended or replaced.

"Legal Lot" means each legal parcel of land shown on a tentative or parcel map, a recorded subdivision map, or as evidenced by a certificate of compliance.

"Los Angeles Urban Consumer Price Index" means, for each Fiscal Year, the Consumer Price Index published by the U.S. Bureau of Labor Statistics for All Urban Consumers in the Los Angeles - Anaheim - Riverside Area, measured as of the month of December in the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the Consumer Price Index for the City of Los Angeles.

"Maximum Special Tax" means, for each Fiscal Year, the maximum Special Tax, determined in accordance with Section C below, that can be levied in such Fiscal Year on any Legal Lot or Assessor's Parcel.

"Multi-Family Property" means, for each Fiscal Year, all Assessor's Parcels of Developed Property for which a building permit was issued on or after March 1, 2002 for purposes of constructing attached residential units, detached multifamily residential units, Second Unit Property, or installing one or more mobile homes.

"Non-Residential Floor Area" means the total floor area of a non-residential building(s) located on a Assessor's Parcel, measured from outside wall to outside wall, exclusive of overhangs, porches, patios, carports, or similar spaces attached to the building but generally open on at least two sides, as specified in the building permit(s) issued for that Assessor's Parcel, or if these are not available, as otherwise determined by the CFD Administrator.

"Non-Residential Property" means, for each Fiscal Year, all Assessor's Parcels of Developed Property for which a building permit was issued on or after March 1, 2002 for a non-residential use. In addition, the five Assessor's Parcels listed separately under the

definition of "Developed Property" (above) shall be considered to be Non-Residential Property, with the listed square footages of Retail Commercial Property located on those Assessor's Parcels being subject to special taxes despite the issuance of building permits for this square footage prior to March 1, 2002.

"Non-Retail Commercial/Industrial Property" means, for each Fiscal Year, all Assessor's Parcels of Non-Residential Property that are not Retail Commercial Property.

"Property Owner Association Property" means, for each Fiscal Year, any Assessor's Parcel within the boundaries of CFD No. 2002-1 that is owned by or irrevocably offered for dedication to a property owner association, including any master or sub-association.

"Proportionately" means that the ratio of the actual annual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Developed Property.

"Public Property" means, for each Fiscal Year, (i) any property within the boundaries of CFD No. 2002-1 that is owned by or irrevocably offered for dedication to the federal government, the State, the County or any other public agency; provided however that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act, as such section may be amended or replaced, shall be taxed and classified in accordance with its use; or (ii) any property within the boundaries of CFD No. 2002-1 that is encumbered by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

"Residential Property" means, for each Fiscal Year, all Assessor's Parcels of Developed Property for which a building permit was issued on or after March 1, 2002 for purposes of constructing one or more residential Dwelling Units.

"Retail Commercial Property" means, for each Fiscal Year, all Assessor's Parcels of Developed Property for which a building permit was issued on or after March 1, 2002 for a retail commercial use, including but not limited to, food stores, book stores, video rental stores, drug stores, laundry and cleaning establishments, barber shops and beauty parlors, repair shops for shoes, radios, TV and domestic appliances, professional services, studios and clinics, automotive service stations, vehicle maintenance and repair, banking, insurance and real estate services, restaurants, bakeries, theaters, bowling alleys, social clubs, discount stores and home supply stores. In addition, the five Assessor's Parcels listed separately under the definition of "Developed Property" (above) shall be considered to be Retail Commercial Property, with the listed square footages of Retail Commercial Property located on those Assessor's Parcels being subject to special taxes despite the issuance of building permits for this square footage prior to March 1, 2002.

"Second Unit Property" means Residential Property containing an attached or detached Dwelling Unit on a permanent foundation, which provides independent living facilities for one or more persons in addition to a principal one-family dwelling.

"Services" means services for (i) fire protection and suppression services, (ii) police protection services, (iii) maintenance of parks, parkways and open space, and (iv) flood

and storm protection services, including, but not limited to, the operation and maintenance of storm drainage systems. CFD No. 2002-1 shall finance Services only to the extent that they are in addition to those provided in the territory of CFD No. 2002-1 before the CFD was created and such Services may not supplant services already available within CFD No. 2002-1 when the CFD was created.

"Single Family Property" means, for each Fiscal Year, all Assessor's Parcels of Developed Property for which a building permit was issued on or after March 1, 2002 for purposes of constructing detached residential units.

"Special Tax" means the special tax to be levied in each Fiscal Year on each Legal Lot or Assessor's Parcel of Graded Property and Developed Property to fund the Special Tax Requirement.

"Special Tax Requirement" means that amount to be collected in any Fiscal Year for CFD No. 2002-1 to pay for certain costs as required to meet the needs of the CFD in that Fiscal Year. The costs to be covered shall be the direct costs for (i) Services, and (ii) Administrative Expenses; less (iii) a credit for funds available to reduce the annual Special Tax levy, if any, as determined by the CFD Administrator. Under no circumstances shall the Special Tax Requirement include debt service payments for debt financings by CFD No. 2002-1.

"State" means the State of California.

"Undeveloped Property" means, for each Fiscal Year, all property not classified as Developed Property, Graded Property, Property Owner Association Property, or Public Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, all Assessor's Parcels or Legal Lots, as applicable, within CFD No. 2002-1 shall be classified as Developed Property, Graded Property, Undeveloped Property, Property Owner Association Property, or Public Property. However, only Developed Property and Graded Property shall be subject to annual Special Taxes in accordance with the rate and method of apportionment determined pursuant to Sections C and D below. Residential Property shall be assigned to Land Use Classes 1 and 2 based on the type of residential development. Non-Residential Property shall be assigned to Land Use Classes 3 and 4 based on the type of non-residential development.

C. MAXIMUM SPECIAL TAX RATE

1. **Developed Property**

a. Maximum Special Tax

The Maximum Special Tax for Fiscal Year 2002-03 for each Land Use Class is shown below in Table 1. Such Special Taxes shall only be levied for new structures on Residential Property and Non-Residential Property that were authorized to be constructed with building permits issued on or after March 1, 2002, or on additions to existing structures on Non-Residential Property that were authorized to be constructed with building permits issued on or after March 1, 2002. In addition, the five Assessor's Parcels listed separately under the definition of "Developed Property" (above) shall be subject to Special Taxes, despite the issuance of building permits prior to March 1, 2002. However, under no circumstances shall a Special Tax be levied on additions to existing Dwelling Units.

TABLE 1

**Maximum Special Taxes for Developed Property
For Fiscal Year 2002-03
Community Facilities District No. 2002-1**

Land Use Class	Land Use	Maximum Special Tax Per Dwelling Unit or Per Square Foot of Non-Residential Floor Area
1	Single Family Property	\$600.00 per Dwelling Unit
2	Multi-Family Property	\$408.00 per Dwelling Unit
3	Non-Retail Commercial/Industrial Property	\$0.582 per square foot
4	Retail Commercial Property	\$0.41401 per square foot

b. Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2003, the Maximum Special Tax set forth above will be increased annually by the greater of the change in the Los Angeles Urban Consumer Price Index during the twelve months prior to December of the previous Fiscal Year, or two percent (2%).

c. Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax that can be levied on an Assessor's Parcel shall be the sum of the Maximum Special Taxes that can be levied for all Land Use Classes located on that Assessor's Parcel.

d. Building Permit One-Time Special Tax

A maximum Building Permit One-Time Special Tax of \$250 per Dwelling Unit and \$0.20 per square foot of Non-Residential Floor Area shall be levied at building permit issuance on Developed Property.

2. **Graded Property**

A maximum Grading Permit Special Tax of \$50 at issuance of a Land Use Permit for Grading and an annual maximum Grading Permit Special Tax of \$50 shall be levied on Graded Property.

3. **Undeveloped Property**

No Special Taxes shall be levied on Undeveloped Property.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2002-03, the Building Permit One-Time Special Tax and the Grading Permit Special Tax shall be levied at 100% of the applicable Maximum Special Tax for each Assessor's Parcel of Developed Property and for each Legal Lot of Graded Property.

Commencing with Fiscal Year 2002-03 and for each following Fiscal Year, the Board shall levy the annual Special Tax Proportionately for each Assessor's Parcel of Developed Property at up to 100% of the applicable Maximum Special Tax, until the amount of Special Taxes equals the Special Tax Requirement.

E. EXEMPTIONS

In addition to Undeveloped Property being exempt from annual Special Taxes, no Special Tax shall be levied on Public Property or Property Owner Association Property. However, should an Assessor's Parcel no longer be classified as Public Property or Property Owner Association Property, such Assessor's Parcel shall, upon each reclassification, no longer be exempt from Special Taxes.

F. APPEALS AND INTERPRETATIONS

Any landowner or resident may file a written appeal of the Special Tax on his/her property

with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Board by filing a written notice of appeal with the County Clerk, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for the appellant's disagreement with the CFD Administrator's determination. The CFD Administrator may charge the appellant a reasonable fee for processing the appeal.

Interpretations may be made by the Board by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.

G. MANNER OF COLLECTION

The annual Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 2002-1 may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations. The direct billing of the Special Tax may include the collection of the Grading Permit Special Tax and the Building Permit One-Time Special Tax.

H. TERM OF SPECIAL TAX

The Special Tax shall be levied in perpetuity as necessary to meet the Special Tax Requirement.

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EXHIBIT C

PROPERTY OWNER ASSESSOR'S PARCEL NUMBERS

<u>Name of Property Owner</u>	<u>Assessor's Parcel Nos.</u>
Cal-Cobblestone Creek, LLC	103-200-68
Cal-Cobblestone Creek, LLC	103-200-69
Mesa Verde Development Partners, LLC	101-010-03
Oak Glen Partnership	101-010-02
Harpstone Partnership, LP	103-200-26
Albertson's Inc.	103-740-25
Minson Company	103-740-28
Minson Company	103-740-31
Minson Company	103-740-32
McDonald's Corporation	103-740-34
McCadden Development, LLC	101-010-13
McCadden Development, LLC	105-140-16
Coastal Properties, LLC	105-330-04
HomeSuites, LLC	107-270-12

Attachment D
**BOUNDARIES OF
 COUNTY OF SANTA BARBARA
 COMMUNITY FACILITIES DISTRICT NO. 2002-1
 (ORCUTT COMMUNITY PLAN)
 COUNTY OF SANTA BARBARA
 STATE OF CALIFORNIA**

(1) Filed in the office of the Clerk of the Board of Supervisors of the County of Santa Barbara this _____ day of _____, 2006

 Michael F. Brown
 Clerk of the Board, County of Santa Barbara

(2) I hereby certify that the within map showing the boundaries for Community Facilities District No. 2002-1, Santa Barbara County, State of California, was approved by the Board of Supervisors of the County of Santa Barbara at a regular meeting thereof, held on the 9th day of July 2002 by its Resolution No. 02-258 as amended by said Board of Supervisors at a regular meeting held on this _____ day of _____, 2006 by its Resolution No. _____.

 Michael F. Brown
 Clerk of the Board, County of Santa Barbara

Fiscal Year 2006-2007
 Assessor's parcel Numbers
Located Within CFD No. 2002-1:

- 101-010-03,
- 101-380-01, 101-380-02,
- 101-380-03, 101-390-01,
- 101-390-02, 101-390-03,
- 101-390-04, 101-400-01,
- 101-400-02, 101-400-03,
- 101-400-04, 103-200-11
- 103-200-26, 103-200-45,
- 103-200-67, 103-200-68,
- 103-200-69, 103-361-12,
- 103-361-13, 103-740-25,
- 103-740-28, 103-740-31,
- 103-740-32, 103-740-34,
- 105-134-04, 105-134-05
- 105-140-16, 105-330-04,
- 105-330-05, 105-330-06,
- 105-330-08 & 107-270-12

(3) Filed this _____ day of _____, 2006, at the hour of _____ o'clock _____ m, in Book _____ of Maps of Assessment and Community Facilities Districts at page _____ and as Map No. _____, in the office of the County Recorder's of Santa Barbara County, State of California.

 County Recorder of Santa Barbara County

Reference is hereby made to the Assessor maps of the County of Santa Barbara for an exact description of the lines and dimensions of each lot and parcel.

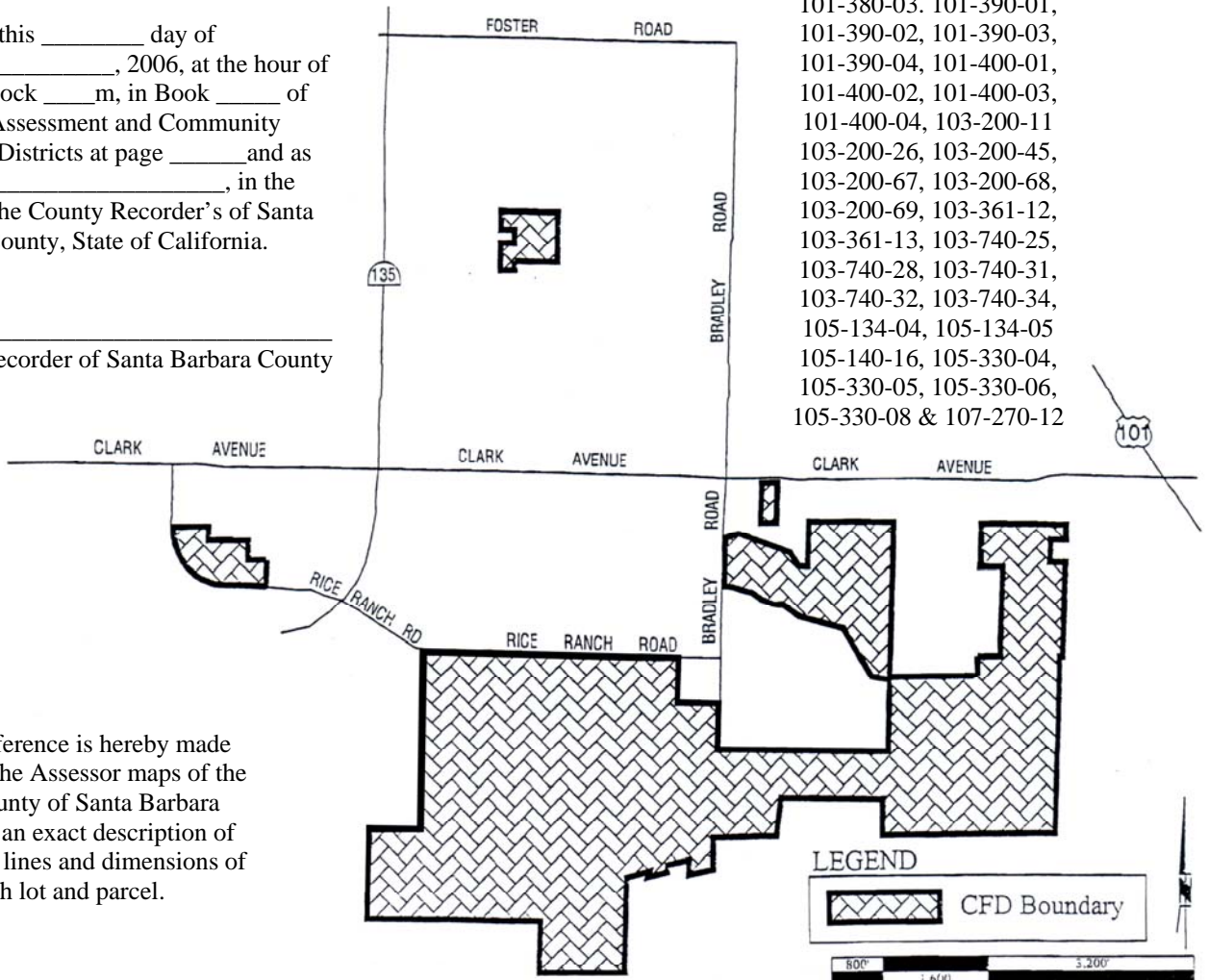


Exhibit 2
**BOUNDARIES OF
 COUNTY OF SANTA BARBARA
 COMMUNITY FACILITIES DISTRICT NO. 2002-1
 (ORCUTT COMMUNITY PLAN)
 COUNTY OF SANTA BARBARA
 STATE OF CALIFORNIA**

(1) Filed in the office of the Clerk of the Board of Supervisors of the County of Santa Barbara this _____ day of _____, 2006

 Michael F. Brown
 Clerk of the Board, County of Santa Barbara

(2) I hereby certify that the within map showing the boundaries for Community Facilities District No. 2002-1, Santa Barbara County, State of California, was approved by the Board of Supervisors of the County of Santa Barbara at a regular meeting thereof, held on the 9th day of July 2002 by its Resolution No. 02-258 as amended by said Board of Supervisors at a regular meeting held on this _____ day of _____, 2006 by its Resolution No. _____.

 Michael F. Brown
 Clerk of the Board, County of Santa Barbara

Fiscal Year 2006-2007
 Assessor's parcel Numbers
Located Within CFD No. 2002-1:

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- 101-380-01, 101-380-02,
- 101-380-03, 101-390-01,
- 101-390-02, 101-390-03,
- 101-390-04, 101-400-01,
- 101-400-02, 101-400-03,
- 101-400-04, 103-200-11
- 103-200-26, 103-200-45,
- 103-200-67, 103-200-68,
- 103-200-69, 103-361-12,
- 103-361-13, 103-740-25,
- 103-740-28, 103-740-31,
- 103-740-32, 103-740-34,
- 105-134-04, 105-134-05
- 105-140-16, 105-330-04,
- 105-330-05, 105-330-06,
- 105-330-08 & 107-270-12

(3) Filed this _____ day of _____, 2006, at the hour of _____ o'clock _____ m, in Book _____ of Maps of Assessment and Community Facilities Districts at page _____ and as Map No. _____, in the office of the County Recorder's of Santa Barbara County, State of California.

 County Recorder of Santa Barbara County

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