Memorandum of Understanding

Between County of Santa Barbara and the City of Santa Maria

THIS AGREEMENT (Agreement) is made and entered into by and between the County of Santa Barbara, a political subdivision of the State of California (herein referred to as the COUNTY) and the City of Santa Maria, a municipal corporation (herein referred to as the CITY) wherein CITY agrees to transfer a credit of fifty percent of the actual housing units developed on the parcels making up the Enos Ranchos Reorganization area, LAFCO Proposal No. 08-004, to the COUNTY in return for the COUNTY's agreement to approve the Enos Ranchos Reorganization.

WHEREAS, the COUNTY has a stated policy adopted by the Board of Supervisors on July 17, 2007 to include the negotiation of housing units as part of the tax exchange agreement required for annexations; and,

WHEREAS, Section 65584.07 (a) of the Government Code authorizes a similar mutually acceptable agreement on a revised determination of regional housing needs if an annexation of unincorporated land to a city occurs after the council of governments, or the department for areas with no council of governments, has made its final allocation.

WHEREAS, the City of Santa Maria (CITY) and the County of Santa Barbara (COUNTY) have negotiated and reached a mutually acceptable agreement for an exchange of property tax revenue for the proposed reorganization which is commonly referred to as the Enos Ranchos Reorganization, and,

WHEREAS, the COUNTY and the CITY have negotiated and reached a mutually acceptable agreement for the transfer of housing credit for the proposed reorganization which is commonly referred to as the Enos Ranchos Reorganization.

NOW, THEREFORE, IT IS AGREED in consideration of the mutual covenants and conditions contained herein:

- 1. CITY shall transfer credit of fifty percent of the actual housing units to be developed on the parcels making up the Enos Ranchos Reorganization, to the COUNTY.
- 2. COUNTY shall allocate the fifty percent credit of the housing units toward the COUNTY's overall Regional Housing Needs Allocation (RHNA) as adopted by the Santa Barbara Association of Governments during the housing planning period in which the actual housing is approved by the CITY.
- 3. CITY and COUNTY further agree that this housing unit allocation is unique to the Enos Ranchos Reorganization.
- 4. COUNTY shall consent to the Enos Ranchos Reorganization under the terms intended to be imposed by the Local Agency Formation Agency (LAFCO), and other good and valuable consideration, the receipt of which is hereby acknowledged.

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective on the date it is fully executed.

COUNTY: County of Santa Barbara, a Political Subdivision of the State of California	CITY: City of Santa Maria, a Municipal Corporation
SALUD CARBAJAL CHAIR, BOARD OF SUPERVISORS	MAYOR, CITY OF SANTA MARIA
BY:	BY:DATE:
ATTEST:	ATTEST:
MICHAEL F. BROWN CLERK OF THE BOARD	CHIEF DEPUTY CITY CLERK
BY: DATE:	BY: DATE:
APPROVED AS TO FORM: DANIEL F. WALLACE COUNTY COUNSEL By: Deputy County Counsel DATE: 6-10-06	APPROVED AS TO FORM: CITY ATTORNEY OF SANTA MARIA BY: DATE:
APPROVED AS TO FORM: ROBERT W, GEIS, CPA AUDITOR-CONTROLLER BY:	APPROVED AS TO FORM: CITY MANAGER/DIRECTOR OF ADMINISTRATIVE SERVICES BY: DATE:
COUNTY RISK MANAGEMENT BY: PARTIE: 6-10-08	CITY RISK MANAGEMENT BY: DATE: