

# SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Agenda Number:**  
**Prepared on:** 12/10/04  
**Department Name:** CAO  
**Department No.:** 012  
**Agenda Date:** 2/1/05  
**Placement:** Administrative  
**Estimate Time:**  
**Continued Item:** NO  
**If Yes, date from:**

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**TO:** Board of Supervisors

**FROM:** Michael F. Brown  
County Administrator

**STAFF CONTACT:** Jason Stilwell, Project Manger  
568-3413

**SUBJECT:** Exchange of Property Taxes for the Hart Reorganization, an Annexation to the City of Santa Barbara – Second Supervisorial District.

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## **Recommendation(s):**

That the Board of Supervisors:

1. Adopt the attached resolution providing for the negotiated exchange of property tax revenue pertaining to the Hart Reorganization, an annexation to the City of Santa Barbara.
2. Approve the attached "Reportback" to LAFCO pertaining to the Hart Reorganization.

## **Alignment with Board Strategic Plan:**

This recommendation is primarily aligned with Goal No. 5, Maintain and Enhance the Quality of Life for all Residents.

## **Executive Summary and Discussion:**

The City of Santa Barbara proposes annexation of a single parcel (APN 057-170-009, approximately 4.00 acres) to the City of Santa Barbara (legal description and map attached). The parcel is developed with a residential use and is one of a few parcels that constitute an island of unincorporated County land surrounded by the City of Santa Barbara. The proposed annexation is located in the neighborhood east of La Colina Junior High School.

The subject parcel is located within the City's existing sphere of influence. The parcel is bordered by a City Street (La Cumbre Road) to the west, a private road on the east, and existing residential development on the

north and south. The Santa Barbara Planning Commission approved a four lot subdivision of the parcel contingent upon annexation.

The annexation includes detachment from the County Fire Protection District and Goleta Water District. Pursuant to state law, the City and County must agree on an exchange of property tax revenue allocated to the Fire District prior to the Local Agency Formation Commission (LAFCO) considering the reorganization. City and County staff have reached a tentative agreement that is now submitted for your approval via this resolution. The Santa Barbara City Council adopted a complementary resolution however it does not include the provision for annexing the adjacent parcel (clause 4 of the attached tax exchange agreement). If LAFCO chooses to recommend the adjacent parcel be annexed as a condition to the Hart annexation, the City would need to amend its tax exchange agreement to match the terms of the attached agreement.

Beginning Fiscal Year 2006-07, the recommended distribution of the allocated percentage of property tax assigned to the Santa Barbara County Fire District (13.91822702 percent) would be allocated between the City, which would receive 12.46328156 and the County General Fund which would receive 1.45494546, bringing the General Fund's total net allocation to 24.57563365 percent.

The attached LAFCO Reportback raises the issue that the proposed annexation will create a one parcel island of unincorporated land wholly surrounded by the City of Santa Barbara. As such, based on prudent land use principles and to facilitate governmental service provision Planning and Development suggests the island parcel also be annexed to the City as a LAFCO condition. If LAFCO, under its authority, includes the adjacent parcel identified as APN 057-170-034, the same tax allocation formula will apply to both it and the Hart parcel.

### **Mandates and Service Levels:**

Upon completion of the annexation all municipal services will be provided by the City of Santa Barbara.

### **Fiscal and Facilities Impacts:**

For the current year, the subject parcel generates property taxes of \$10,229.43. The allocated taxes to the Santa Barbara County Fire Protection District, which amount to \$1423.76 currently, would be redistributed to the City of Santa Barbara and the County General Fund.

### **Special Instructions:**

Please return signed resolutions to:

1. Barbara Godwin, Office of the Auditor Controller
2. Bob Braitman, LAFCO
3. Robert Peirson, Finance Director, City of Santa Barbara

Exchange of Property Taxes for the Hart Reorganization

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**Concurrence:**

County Counsel

Auditor-Controller

County Fire District

Planning and Development

cc: Stephen Shane Stark, County Counsel  
Bob Geis, Auditor-Controller  
John Scherrei, County Fire  
Robert Peirson, City of Santa Barbara  
Bob Braitman, LAFCO

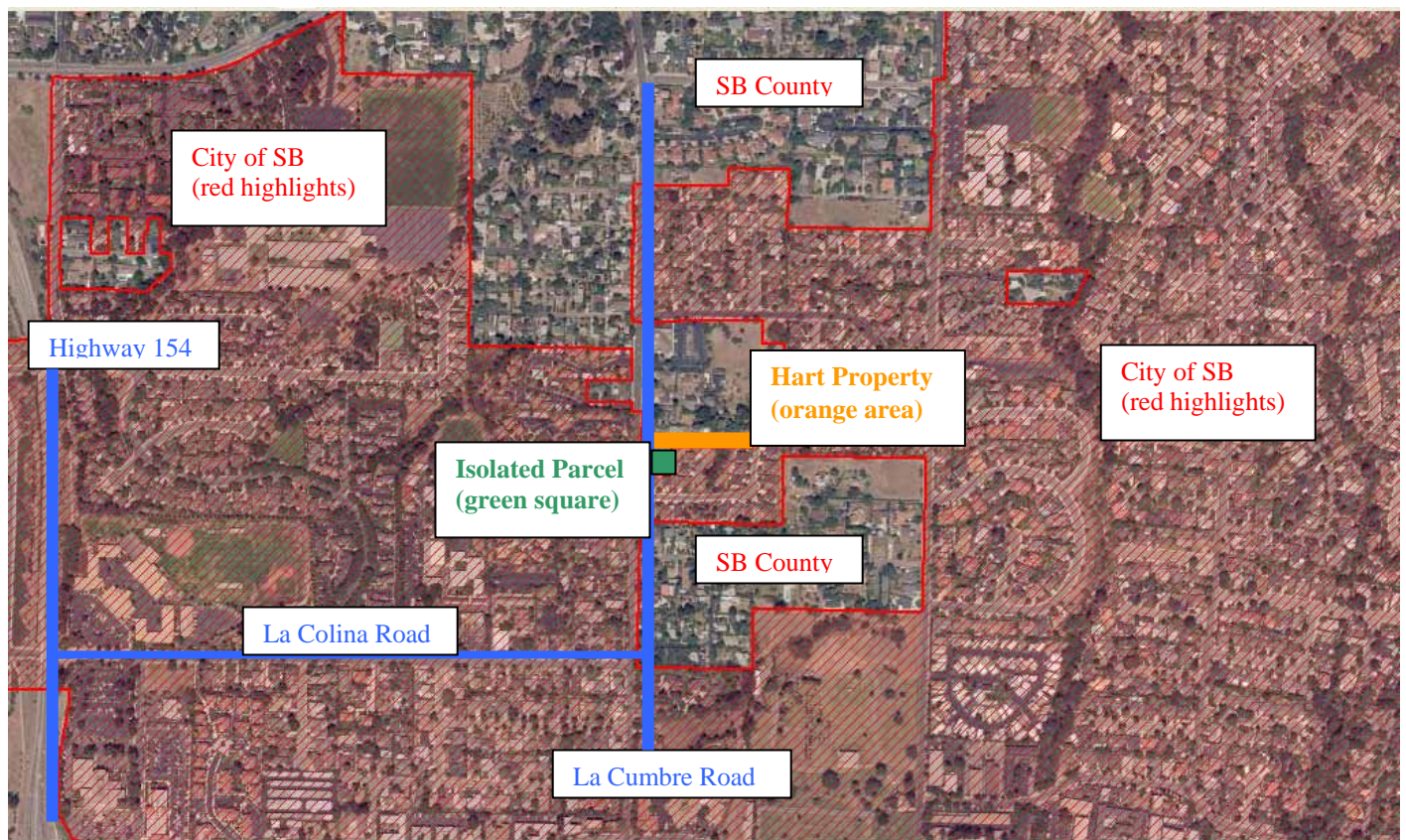
Attachments:

1. Photo Description
2. LAFCO Reportback
3. Tax Exchange Resolution
4. Legal Description
5. Survey Map

Exchange of Property Taxes for the Hart Reorganization

Agenda Date: 2/1/05

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**COUNTY OF SANTA BARBARA**  
**Planning & Development**

Date: December 10, 2004

TO: Bob Braitman, Executive Officer  
Santa Barbara LAFCO

FROM: Val Alexeeff, Director  
Planning & Development

SUBJECT: **No. 04-10 – Hart Reorganization: Annexation to the City of Santa Barbara/Detachment from the Santa Barbara County Fire Protection District/Detachment from Goleta Water District**

This is in response to your November 28, 2004 Request for Reportback regarding the above referenced proposal. Based on our review of the application materials:

**General Information**

- The property **is** unincorporated.
- The property **is not** within a Community Plan.

**General Plan and Zoning Designations**

- The information in the Proposal Questionnaire **is** accurate.
- The County General Plan designates the proposal area as RES-4.6 (Residential, 4.6 dwelling units per acre).
- The County has zoned the property 8-R-1 (Single family residential, minimum parcel size 8,000 square feet).

**Prime Agricultural Land & Open Space Land**

- The property **is not** Prime Agricultural Land as defined by G.C. § 56064.
- The property **is not** Open Space as defined by G.C. § 65560.
- The property **is not** within a Land Conservation Act (Williamson Act) contract.
- The property **is not** within a Farmland Security Zone.

**General Comments**

The property is located within the City's sphere of influence. Consistency with Comprehensive Plan policies was considered at that time. Once an area is included within an adopted sphere of influence, the remaining issues for LAFCO to consider are the timing of an annexation or if the annexation as proposed is consistent with LAFCO's factors for consistency.

## Exchange of Property Taxes for the Hart Reorganization

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P&D has reviewed the proposal and has determined that the proposed annexation may not result in logical service area boundaries as it would result in the creation of one single lot “island” surrounded by the City of Santa Barbara on all sides, located at 466 N. La Cumbre Road. Given the location of existing City/County boundaries and the City’s sphere of influence, it is likely that future annexations in this area will continue north of the proposed annexation until the whole “pocket” of properties between existing County lines is annexed to the City. Future annexations would further isolate the single lot island that would be created by the proposed annexation. Therefore, P&D recommends that the property located at 466 N. La Cumbre Road be included as part of the proposed annexation to promote orderly process of annexations in this area.

P&D understands that the City does not support forcing annexation on unwilling properties, and that the property located at 466 N. La Cumbre Road has not been included in this annexation proposal for this reason. For past annexations, the City and County have agreed to proceed on a parcel by parcel basis so as to avoid forcing unwilling property owners into annexations. However, in some instances this approach does not result in logical boundaries. As this proposal creates a *single lot* island surrounded by the City on all sides, P&D supports the annexation provided it includes the single lot located at 466 N. La Cumbre Road.

### LAFCO Factors for Considering Annexations

This section identifies the factors that LAFCO must consider prior to considering an application for annexation.

#### **A. Factors favorable to approval**

**1. Proposal would eliminate islands, corridors, or other distortion of existing boundaries.**

No, proposed annexation would not eliminate islands, corridors or other distortion of existing boundaries.

**2. Proposed area is urban in character or urban development is imminent, requiring municipal or urban-type services.**

Yes, the property is located in an urbanized area, surrounded by residential development on all sides.

**3. Proposed area can be provided all urban services by agency as shown by agency service plan and proposals would enhance the efficient provision of urban services.**

Yes, services to this area currently exist.

**4. Proposal is consistent with the adopted sphere of influence and adopted general plan.**

Yes, the project is consistent with the City of Santa Barbara’s adopted sphere of influence and General Plan.

**5. Request is by an agency for annexation of its publicly-owned property, used for public purposes.**

No, the property is not owned by a public agency nor will it be used for a public purpose.

#### **Factors unfavorable to approval:**

**1. Proposal would create islands, corridors or peninsulas of city or district area or would otherwise cause or further the distortion of existing boundaries.**

Yes, the annexation proposal would create one single lot island. (See discussion under General Comments)

**2. The proposal would result in a premature intrusion of urbanization into a predominantly agricultural or rural area.**

No, the property is located in an urbanized area, surrounded by residential development on all sides.

**3. For reasons of topography, distance, natural boundaries, or like considerations, the extension of services would be financially infeasible, or another means of supplying services by acceptable alternatives is preferable.**

No, services to this area currently exist.

**4. Annexation would encourage a type of development in an area which due to terrain, isolation, or other economic or social reason, such development is not in the public interest.**

No, the property is located in an urbanized area, surrounded by residential development on all sides.

Exchange of Property Taxes for the Hart Reorganization

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**5. The proposal appears to be motivated by inter-agency rivalry, land speculation, or other motives not in the public interest.**

No.

**6. Boundaries of proposed annexation do not include logical service area or are otherwise improperly drawn.**

The proposed annexation boundaries do not provide a logical service area. Per the proposal, City services would be provided to existing and future development on 500 N. La Cumbre Road, while 466 N. La Cumbre Road will continue to be served by County services, and would become an island of County jurisdiction.

**7. The proposal is inconsistent with adopted sphere of influence and adopted general plans.**

No, the project is consistent with the City of Santa Barbara's adopted sphere of influence and General Plan.

Cc:

Jason Stilwell, County Administrator's Office

Lisa Plowman, Deputy Director, Comprehensive Planning

Chron

Comp chron

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RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA BARBARA IN THE MATTER OF PROVIDING FOR A NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES PERTAINING TO THE HART REORGANIZATION: AN ANNEXATION TO THE CITY OF SANTA BARBARA, DETACHMENT FROM THE SANTA BARBARA COUNTY FIRE PROTECTION DISTRICT AND DETACHMENT FROM THE GOLETA WATER DISTRICT

WHEREAS, Section 99 of the Revenue and Taxation Code of the State of California provides that no change of jurisdictional boundaries shall become effective until each city and county whose service areas or service responsibilities would be altered by such change agree by resolution to a negotiated exchange of property tax revenue; and

WHEREAS, the City of Santa Barbara (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 Hart Reorganization.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Santa Barbara approves and adopts the following formula for the exchange of property tax revenue from the subject property:

1. Definitions:

a. "Reorganization" shall mean the recordation by LAFCO of a certificate of completion and the filing by LAFCO with the State Board of Equalization and the Santa Barbara County Assessor of a statement of boundary change pursuant to Government Code Section 54900 et seq., annexing the area to the City of Santa Barbara.

b. "Property tax revenue" shall include the base property tax revenue and the property tax increment.

2. The Auditor-Controller of Santa Barbara County shall allocate and pay directly to the CITY and the COUNTY General Fund portions of the property tax revenue from the Hart Reorganization area, APN 057-170-009, which otherwise would be allocated to the Santa Barbara County Fire Protection District (13.91822702 percent in fiscal year 2003-04). The allocated portion to the CITY shall be that equal to the surrounding tax rate area (approximately 12.46328156 percent) with the remaining amount which otherwise would be allocated to the Santa Barbara County Fire Protection District being allocated to the COUNTY General Fund (approximately 1.45494546), bringing the General Fund's total net allocation to approximately 24.57563365 percent.

3. Payment to CITY and COUNTY General Fund will commence the first full fiscal year for which the change in property tax allocation specified by this resolution and the corresponding adjustments to affected tax rate allocation system. At the time of adoption of this resolution, that is anticipated to be fiscal year 2005-06.



4. Should LAFCO include the adjacent parcel APN 057-170-034, the same allocated percentage as set forth in paragraph 2 above shall apply.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Barbara, State of California, this \_\_\_\_\_ day of \_\_\_\_\_ 2005, by the following vote:

AYES:

NOS:

ABSTAIN:

ABSENT:

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Susan Rose, Chair  
Board of Supervisors  
County of Santa Barbara

ATTEST:  
CLERK OF THE BOARD

By: \_\_\_\_\_  
Deputy Clerk

APPROVED AS TO FORM:  
COUNTY COUNSEL

By: \_\_\_\_\_

APPROVED AS TO FORM:  
AUDITOR-CONTROLLER

By: \_\_\_\_\_

COUNTY OF SANTA BARBARA  
Planning & Development

Date: December 10, 2004

TO: Bob Braitman, Executive Officer  
Santa Barbara LAFCO

FROM: Val Alexeeff, Director  
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