



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: Public Works
Department No(s): 054
For Agenda of: 1/29/2019 - Admin.
Placement: 1/29/2019 - Admin.
3/19/2019 – Dept.
Estimated Time: 3/19/2019 - 10 min.
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Scott D. McGolpin, P.E., Director, (805) 568-3010
Director(s)

Contact Info: Leslie Wells, Deputy Director, (805) 882-3605

SUBJECT: **Initiation of Annexation of APN 097-371-010 (Oak Hills Estate Tract Map 14,810) to the Santa Barbara North County Lighting District and Establishing a Zone of Benefit – Third Supervisorial District**

County Counsel Concurrence

As to form: Yes

Other Concurrence: N/A

As to form: N/A

Recommended Actions:

That the Board of Directors:

- a) Adopt the resolution initiating proceedings to annex territory known as APN 097-371-010 (Oak Hills Estate Tract Map 14,810) to the Santa Barbara North County Lighting District;
- b) Find that the adoption of a resolution to initiate annexation is not a “Project” within the meaning of the California Environmental Quality Act, pursuant to 14 CCR 15378 (b)(5), in that the action is an organizational or governmental administrative activity that will not result in physical changes in the environment;
- c) Adopt the resolution initiating proceedings to form a zone of benefit and establish assessments within the North County Lighting District to fund street lighting for Oak Hills Estate (Tract 14,810);
- d) Set a hearing on the departmental agenda of March 19, 2019 to:
 - i) Receive testimony of any written protests or support;

Auditor-Controller Concurrence

As to form: Yes

- ii) Count the written property owner ballot(s);
 - iii) Adopt the resolution creating a zone of benefit for Oak Hills Estate (Tract Map 14,810) within the Santa Barbara North County Lighting District and imposing an annual assessment for streetlighting services should there not be a majority protest; and
- e) Find that the adoption of resolutions to initiate formation and forming a zone benefit assessment is statutorily exempt from the California Environmental Quality Act pursuant 14 CCR 15378(b)(4) in that they are for the creation of government funding mechanisms which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Summary Text:

This item is on the agenda in order to consider annexation of APN 097-371-010, which is planned for development per Tract Map 14,810 (Oak Hills Estate), to the Santa Barbara North County Lighting District (NCLD) as well as the creation of a zone of benefit to establish a benefit assessment to pay for public streetlighting services.

Background:

The Oak Hills Estate project is located in the Vandenberg Village area of unincorporated Lompoc along the north side of Oak Hill Drive and proposes to subdivide 16.88 acres into 29 lots and 1 open space parcel. The project seeks to receive public streetlighting services along Oak Hill Drive only as interior streets are private. Public streetlighting services require annexation of the benefitting parcels to the NCLD in order to provide those services. The annexation procedure includes a resolution (Attachment A) to inform LAFCO that the County wishes to allow the property to be annexed.

The NCLD currently provides for 2,853 streetlights in the Los Alamos, Casmalia, Orcutt, unincorporated Santa Maria, and unincorporated Lompoc areas. Revenues to pay for streetlighting on public roads are generated from property taxes and in some cases benefit assessment zones. As a matter of policy and practice, new projects not already located within a county service area or streetlighting district are conditioned to form a benefit zone in order to ensure that sufficient revenues can be generated from tract specific zone benefit assessments to fund the public streetlighting costs associated with the tract. This is done to assure uninterrupted streetlighting services for the impacted area.

In order to create the benefit zone, two resolutions are necessary. The first is the adoption of a resolution to initiate formation of the zone (Attachment B) and the second is a resolution to create the zone (Attachment C). The resolution to create the benefit zone and establish the zone's benefit assessment is subject to a vote of the affected property owner(s). A majority protest is necessary to reject the benefit assessment. The engineer's report (Exhibit C of Attachments B and C) describes the operating costs and revenues required to fund the proposed public streetlighting improvements for this tract. The benefit zone assessment, or portion thereof, would be assessed in the event insufficient property tax revenues are generated to fund the operating costs. Attachment D contains the public notices required by Government Code Section 25217(d).

Property Tax Revenue:

The land is currently undeveloped and not subject to allocation of property taxes and benefit assessments for streetlighting services since it is not located in the NCLD. Upon annexation, the State Board of Equalization (BOE) will assign a tax rate area (TRA) that includes the NCLD as a recipient of some property tax funds. It is anticipated that TRA 072016 will be assigned, which includes the NCLD as a taxing authority. The lots created by Tract Map 14,810 would generate \$20.07 per \$100,000 of assessed value to Fund 2670 (NCLD).

Zone Benefit Assessment:

The engineer's report commissioned by the developer reviewed the annual operating costs for the 5 new public streetlights along Oak Hill Drive and found that should property tax be insufficient, an additional zone benefit assessment of up to \$38.73 per year per residential unit would be required.

In conclusion, this action will allow for the submission of an application to LAFCO for consideration of annexation of the Oak Hills Estates project to the NCLD pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act codified in California Government Code Section 56000 et seq. This action also sets a hearing to consider the creation of a zone of benefit in the NCLD and establishes its benefit assessment provided there is adequate support by the land owner(s). The results of the votes will be presented at the March 19, 2019 board hearing.

Performance Measure:

This action will provide revenue from property taxes to pay for streetlighting services in the NCLD as a whole as well as ensure that tract specific streetlight funding be available in order to not burden the NCLD fund should property tax revenue be insufficient.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

This action will generate additional property tax revenue for streetlighting services in addition to implementing a zone benefit assessment to be used should property tax revenue fall below levels required to operate the streetlights to be installed as a condition of this development.

Special Instructions:

Direct the Clerk of the Board to:

1. Forward a certified minute order and fully executed copy of the resolution to initiate annexation to NCLD to Martin Wilder - Public Works Department, Santa Maria
2. Forward a certified minute order and fully executed copy of the resolution to initiate formation of a zone of benefit in NCLD to Martin Wilder - Public Works Department, Santa Maria

3. Forward a certified minute order and fully executed copy of the resolution to form a zone of benefit in NCLD to Martin Wilder - Public Works Department, Santa Maria
4. Publish, mail, and post notice (3 separate notices) of the hearing for the creation of a zone of benefit as described.

Attachments:

- Attachment A: Resolution to initiate annexation
- Attachment B: Resolution to initiate formation of a zone of benefit
- Attachment C: Resolution forming a zone of benefit
- Attachment D: Public notices

Authored by:

Martin Wilder, P.E., - Utilities Manager, Public Works Department

Copy:

- Julie Hagen, C.P.A., Public Works Deputy Director, Finance and Administration
- Chris Sneddon, P.E., Public Works Deputy Director, Transportation
- Gary Smart, T.E., Public Works Transportation - Traffic
- Will Robertson, T.E., Public Works Transportation - Traffic