

PROVIDENCE LANDING COMMUNITY FACILITIES DISTRICT FREQUENTLY ASKED QUESTIONS

Question: What is the Providence Landing Community Facilities District?

Answer: A community facilities district (CFD) is a financing entity commonly used by cities and counties to finance new community facilities and services associated with new development by placing an additional special tax on each newly created residential parcel (i.e. a dwelling unit). Most frequently, these districts are formed to ensure localized financing of regional infrastructure or amenities and their ongoing maintenance. For a full discussion of the formation and laws related to a CFD, please refer to the Mello-Roos Community Facilities District Act of 1982, beginning at Section 53311 of the California Government Code.

The Providence Landing Community Facilities District (PLCFD) is a specific financing entity that pays for the maintenance costs associated with the Providence Landing Park, which is programmed with such active amenities as little league fields, a soccer field, a multi-use/roller hockey court, tennis courts, a volleyball court, group picnic facilities, a concession and office building, a tot lot, fencing, landscaping, lighting and irrigation.

Examples of the type of maintenance provided by the PLCFD include mowing, tree and shrub pruning, irrigation repairs, plant replacement, fertilization and other landscape practices such as aeration when required. Other maintenance items would include structural and concrete repairs, to the building, sidewalks and hardscape surfaces as well as repairs due to vandalism or graffiti. Water, sewer, gas, telephone and electricity usage make up a substantial portion of the maintenance budget, as do custodial and solid waste services. A depreciation account is figured into the annual budget to address any deferred maintenance items that may require considerable future funding such as resurfacing of the tennis courts or maintenance to baseball dugouts or fencing.

Question: Why was it created?

Answer: On July 9, 2002 the County's Board of Supervisors approved the Providence Landing Residential Project. A CFD was created to ensure that the new park facilities being developed for this subdivision would receive adequate funding for its annual operating and maintenance costs. The PLCFD was officially formed on January 11, 2005 by a 4-0-1 vote of the Board of Supervisors. The County's Parks Department provides administrative oversight of the PLCFD and contracts with the Channel Islands YMCA to maintain the park and provide recreational programming of the facility.

Question: Who Operates the Park?

Answer: PLFCD contracts with the local YMCA to provide the community with services at the Providence Landing Park. On an ongoing basis, the YMCA works with County Parks Department staff to address park facility programming, scheduling and administrative concerns.

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Question: How is it funded?

Answer: All single-family detached units within Providence Landing are assessed a special tax that represents a portion of the total cost of maintaining the park and administrative expense related to administering the PLCFD. The special tax amount is shared equally amongst all home owners and is based on the total cost of park maintenance divided by 266 (the number of single-family detached home sites in the project area).

Every single-family detached unit that closed escrow prior to May 1st will be levied the special tax in August of the same year. Attached residential units that are considered to be affordable housing are not assessed the special tax, which was a policy decision by the Board of Supervisors to assist in the housing affordability goals for the region.

Each year, on or before August 10th, the Board of Supervisors must decide upon the amount of the PLCFD tax for the coming year. A hearing to levy the tax rate occurs every summer (July to early August). Once the Board has approved the rate, the County Auditor places the special tax onto the property tax roll for each residential parcel within the District. The special tax is included on each homeowner's property tax bill and sent out in October 2008. At least one-half of the total property tax amount must be paid by November 1, 2008 (delinquent after December 10, 2008); the second half must be paid by February 1, 2009 (delinquent after April 10, 2009). See your tax bill for details on how to avoid penalties.

To ensure adequate funding to maintain community improvements, the special tax rate may increase or decrease each year. At the time of its creation, the PLCFD was authorized to impose a tax not exceeding \$1,300 per single-family detached unit, plus the annual cost of inflation as indicated by the Los Angeles Consumer Price Index (roughly a 2-5% increase each year). However, each year the rate will vary depending on the actual cost of administration, park maintenance, and the availability of outside funding. For example, the 2007-2008 rate was set at \$672 per single-family detached unit based on a reduced administration and maintenance budget and a County General Fund contribution of \$75,000. The Board of Supervisors has the authority to allocate funds toward the PLCFD during its annual budget hearings (which were held during the week of June 9, 2008), as well as during the annual levying of the special tax (anticipated to be July 15, 2008). To ensure the accuracy of the calculation of the PLCFD tax, the tax is imposed in arrears, so that it reimburses the County and the YMCA for actual maintenance costs incurred during the prior fiscal year.

Question: Whom do we contact with questions?

Answer: Questions may be addressed to the Parks Department, 610 Mission Canyon Road, Santa Barbara, CA 93105.
Telephone: (805) 568-2477