

**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:** 7/20/2006  
**Department Name:** CEO  
**Department No.:** 012  
**Agenda Date:** 7/25/06  
**Placement:** Departmental  
**Estimate Time:** 20 minutes  
**Continued Item:** Yes  
**If Yes, date from:** 6/20/06

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**TO:** Board of Supervisors

**FROM:** Michael F. Brown, Chief Executive Officer  
568-3400

**STAFF CONTACT:** Sharon Friedrichsen, Interim Project Manager  
568-3400

**SUBJECT:** Enact Ordinance to Annex Old Mill Run Residential Development into Orcutt Community Facilities District No. 2002-1 and Levy Special Taxes Therein, Fourth Supervisorial District

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**Recommendation(s):**

That the Board of Supervisors, on July 25, 2006:

- (A) Hold a public hearing on the annexation of territory to Orcutt Community Facilities District No. 2002-1 and the authorization of the levying of special taxes on the proposed parcels to be annexed for the Old Mill Run residential development (tentative tract map 14,532 on APN 105-020-046);
- (B) Receive testimony regarding written protests that have been filed, if any;
- (C) Hold a special election on the annexation of Old Mill Run into the Orcutt Community Facilities District (No. 2002-1) and the levying of special taxes therein and trail this matter so that the election may be held and the results tallied during the Board meeting;

Later, on July 25, 2006, after the election results are tallied, if the vote of qualified electors approves the annexation and authorizes the levy of a special tax on the newly annexed parcels, it is recommended that the Board of Supervisors:

- (D) Certify the election results;
- (E) Adopt the Resolution Declaring Results of Special Election and Directing Recording of Notice of Special Tax Lien;

- (F) Introduce the first reading of an Ordinance entitled "An Ordinance of the Board of Supervisors of the County of Santa Barbara Approving the Annexation of Territory to Orcutt Community Facilities District (No. 2002-1) and Authorizing the Levy of Special Taxes Therein."
- (G) Direct the Clerk of the Board to record the annexation and levying of special tax pursuant to Streets and Highway Code Section 3117.
- (H) Set a hearing on the administrative agenda for August 1, 2006 to:
  - 1. Adopt the attached ordinance (second reading) entitled "An Ordinance of the Board of Supervisors of the County of Santa Barbara Approving Annexation of Territory (Old Mill Run Residential Development) to Orcutt Community Facilities District (No. 2002-1) and Authorizing the Levy of Special Taxes Therein."

**Alignment with Board Strategic Plan:**

The recommendation(s) are primarily aligned with Goal No. 1, An Efficient Government Able to Respond Effectively to the Needs of the Community; Goal No. 4, A Community that is Economically Vital and Sustainable; and Goal No. 5, A High Quality of Life for All Residents.

**Executive Summary and Discussion:**

The Old Mill Run residential development project is located within the Orcutt Community Plan and located at the southeast corner of Blosser Road and Old Mill Road. As a condition of its approval, the County's Planning and Development Department has required the parcels to annex into the Orcutt Community Facilities District (Orcutt CFD No 2002-1). Parcels within the Orcutt CFD are assessed a special tax to finance the following services provided by the County to the development: fire and sheriff protection services, maintenance of parks, parkways and open space, and flood and storm protection services. In order to levy the special taxes, the taxes must be approved by a two-thirds majority of the "qualified voters."

When fewer than twelve registered voters reside within the area proposed to be annexed, the qualified voters are those owners of property within the area to be annexed. Every property owner receives one vote per acre, or portion thereof, owned within the area to be annexed. Because no parcels have yet been sold, there is only one owner and one registered voter within the Old Mill Run annexation boundaries. The landowner, Capital Pacific Homes, has been sent a special election ballot and the ballot will be counted as part of the special election being held by the Board today.

Upon Capital Pacific Homes vote in favor of annexation to Orcutt CFD No. 2001-1 and levying of special taxes, the Board may then adopt the attached resolution approving the annexation and levying special taxes relative to the newly annexed parcels for Fiscal Year 2006-07 and on. The Clerk of the Board shall then record notice of the annexation pursuant to Section 3117.5 of the Streets and Highways Code. A second reading of the ordinance to approve annexation and the levying of special taxes will be scheduled for August 1, 2006. After the second reading of the ordinance, provided that there are no protests, the Old Mill Run residential tract will then be considered to have fulfilled this condition of approval and proceed to record its

final map, contingent on meeting any other requirements stated by the County's Planning and Development Department.

**Mandates and Service Levels:**

The Board's approval of the resolution will allow the Old Mill Run residential development to be annexed into the Orcutt Community Facilities District. The Orcutt Communities Facilities District is a mechanism that levies a special tax on parcels within its boundaries in order to pay for services delivered to the development. These services include fire and sheriff protection services, maintenance of parks, parkways and open space, and flood and storm protection services.

**Fiscal and Facilities Impact:**

Completion of the annexation proceedings will allow the County to impose Mello Roos special taxes in the new developing areas covered by this annexation. As of Fiscal Year 2005-2006, the special taxes within the Orcutt Community Facilities District were as follows:

- Single family property \$662.64 per unit
- Multi-family property \$450.60 per unit
- Non-retail commercial/industrial property \$0.64276 per sq. ft
- Retail commercial property \$0.45724 per sq. ft
- Graded property \$50 per lot

Based on these rates, the Old Mill annexation would be responsible for generating \$39,758.40 toward the Orcutt CFD. This figure is based on the \$662.64 per unit being levied on 60 single family homes.

The special taxes levied on the parcels are calculated through the Rate and Method of Apportionment and escalate each fiscal year by the greater of the change in the Consumer Price Index ("CPI") during the pervious twelve months or 2%. Rates for Fiscal Year 2006-2007 will be brought to the Board of Supervisors for adoption prior to August 10, 2006.

**Special Instructions:**

- A. Direct Elections to canvass special ballot(s) on the annexation of Old Mill Run residential development into the Orcutt Community Facilities District and the levying of special taxes on the proposed annexed parcels and certify results.
- B. Direct the Clerk of the Board to record the annexation pursuant to Streets and Highway Code Section 3117.
- C. Direct the Clerk of the Board to forward a certified minute order and completely executed copies of the ordinance to the County Executive Office to the attention of Sharon Friedrichsen.

Concurrence:  
County Counsel

Auditor-Controller

Attachment: Official Ballot for the Annexation into Orcutt Community Facilities District

Attachment: "A Resolution of the Board of Supervisors of the County of Santa Barbara Declaring Results of Special Election and Directing Recording of Notice of Special Tax Lien."

Attachment: "An Ordinance of the Board of Supervisors of the County of Santa Barbara Approving the Annexation of Territory to Orcutt Community Facilities District (No. 2002-1) and Authorizing the Levy of Special Taxes Therein."

CC: Marie La Sala, County Counsel  
Billie Alvarez, Elections  
Jennifer Christensen, Planning and Development  
Larry Appel, Planning and Development  
Robert Baker, Capital Pacific Homes Inc. 4050 Calle Real Ste 200-B Santa Barbara CA 93110

Board Letter prepared by Sharon Friedrichsen, 568-3107

**OFFICIAL BALLOT**  
**COUNTY OF SANTA BARBARA**  
**July 25, 2006**

**SPECIAL ELECTION**

This ballot is for a special, landowner election. You must return this ballot in the enclosed postage paid envelope to the Santa Barbara Election Office of the Registrar of Voters of the County of Santa Barbara no later than 12:00 a.m. on July 25, 2006, either by mail or in person. The ballot can be mailed to the County Elections Office, P.O. Box 159, Santa Barbara, CA 93102-0159 or delivered to the Elections Office at 130 E. Victoria Street, 2<sup>nd</sup> Floor, Santa Barbara, California 93101.

**INSTRUCTIONS TO VOTERS:**

To vote on the measure, mark a cross (+) or (X) in the voting square after the word "YES" or after the word "NO". All distinguishing marks or erasures are forbidden and make the ballot void. If you wrongly mark, tear, or deface this ballot, return it to the Registrar of Voters of the County of Santa Barbara and obtain another.

**COUNTY OF SANTA BARBARA**  
**COMMUNITY FACILITIES DISTRICT NO. 2002-1**  
**(ANNEXATION INTO ORCUTT COMMUNITY FACILITIES DISTRICT)**

**MEASURE SUBMITTED TO VOTE OF VOTERS:**

Shall the parcel(s) identified in the Old Mill Run Annexation Parcel Map # 1, attached as Exhibit A to the resolution entitled "Resolution Initiating Annexation of Territory to Orcutt Community Facilities District No. 2002-1 and to Authorize the Levy of Special Taxes Therein" adopted by the Board of Supervisors of the County of Santa Barbara on June 20, 2006, be annexed into the County of Santa Barbara Community Facilities District No. 2002-1 (the "Community Facilities District") and shall the Community Facilities District be authorized to levy a special tax on the annexed parcels to finance certain services to be provided to the annexed parcels by the Community Facilities District?

Yes:

No:

By execution in the space provided below, you also indicate your waiver of the time limit pertaining to the conduct of the election and any requirement for analysis and arguments with respect to the ballot measure, as such waivers are described and permitted by Sections 53326(a) and 53327(b) of the Mello-Roos Community Facilities Act of 1982.

Number of Votes:  
Landowner:

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

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

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF  
THE COUNTY OF SANTA BARBARA DECLARING  
RESULTS OF SPECIAL ELECTION AND DIRECTING  
RECORDING OF NOTICE OF SPECIAL TAX LIEN**

**WHEREAS**, on June 20, 2006, the Board of Supervisors (the “Board of Supervisors”) of the County of Santa Barbara adopted a resolution entitled “A Resolution of the Board of Supervisors of the County of Santa Barbara Calling Special Election for the County of Santa Barbara Community Facilities District No. 2002-1 (Orcutt Community Facilities District)” (the “Resolution Calling Election”), calling for a special election of the qualified electors within the County of Santa Barbara Community Facilities District No. 2002-1 (Orcutt Community Facilities District) (the “Community Facilities District”);

**WHEREAS**, pursuant to the terms of the Resolution Calling Election and the provisions of the Mello-Roos Community Facilities Act of 1982 (the “Act”), the special election was held on July 25, 2006; and

**WHEREAS**, the Elections Division Manager of the County of Santa Barbara (the “County”), acting on behalf of the Registrar of Voters of the County has certified the canvass of the returns of the election and has filed a Canvass and Statement of Results of Election (the “Canvass”), a copy of which is attached hereto as Exhibit A;

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

**Section 1.** The Board of Supervisors has received, reviewed and hereby accepts the Canvass.

**Section 2.** The Board of Supervisors hereby finds and declares that the ballot proposition submitted to the qualified electors of the Community Facilities District pursuant to the Resolution Calling Election has been passed and approved by such electors in accordance with Section 53328(a) and Section 53325.7 of the Act.

**Section 3.** The Clerk of the Board of Supervisors is hereby directed to execute and cause to be recorded in the office of the County Recorder a notice of special tax lien in the form required by the Act, said recording to occur no later than fifteen days following adoption by the Board of Supervisors of this Resolution.

**Section 4.** This Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** by the Board of Supervisors of the County of Santa Barbara, State of California, this 25<sup>th</sup> day of July, 2006 by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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

ATTEST:  
MICHAEL F. BROWN  
CLERK OF THE BOARD

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

Approved as to Form:  
Stephen Shane Stark  
County Counsel

Approved as to Form:  
Robert W. Geis  
Auditor-Controller

By \_\_\_\_\_  
Deputy County Counsel

By \_\_\_\_\_  
Deputy Auditor-Controller

**EXHIBIT A**

**COUNTY OF SANTA BARBARA  
COMMUNITY FACILITIES DISTRICT NO. 2002-1  
(ANNEXATION INTO ORCUTT COMMUNITY FACILITIES DISTRICT)**

**CANVASS AND STATEMENT OF RESULTS OF ELECTION**

I hereby certify that on July 25, 2006, I canvassed the returns of the special landowner election held on July 25, 2006, for the County of Santa Barbara Community Facilities District No. 2002-1 (Annexation Into Orcutt Community Facilities District) that the total number of ballots cast in said District and the total number of votes cast for and against the measure are as follows and that the totals as shown for and against the measure are full, true and correct:

	Qualified Landowner <u>      Votes      </u>	Votes <u>      Cast      </u>	<u>      YES      </u>	<u>      NO      </u>
County of Santa Barbara Community Facilities District No. 2002-1 (Orcutt Community Facilities District) Special Election, July 25, 2006				

MEASURE SUBMITTED TO VOTE OF VOTERS: Shall the parcel(s) identified in the Old Mill Run Annexation Parcel Map # 1, attached as Exhibit A to the resolution entitled "Resolution Initiating Annexation of Territory to Orcutt Community Facilities District No. 2002-1 and to Authorize the Levy of Special Taxes Therein" adopted by the Board of Supervisors of the County of Santa Barbara on June 20, 2006, be annexed into the County of Santa Barbara Community Facilities District No. 2002-1 (the "Community Facilities District") and shall the Community Facilities District be authorized to levy a special tax on the annexed parcels to finance certain services to be provided to the annexed parcels by the Community Facilities District?

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND this 25<sup>th</sup> day of July 2006.

Joseph E. Holland  
County of Santa Barbara  
Registrar of Voters

By

\_\_\_\_\_  
Elections Division Manager



**ORDINANCE NO. \_\_\_\_**

**AN ORDINANCE OF THE BOARD OF SUPERVISORS OF  
THE COUNTY OF SANTA BARBARA APPROVING THE  
ANNEXATION OF TERRITORY TO ORCUTT  
COMMUNITY FACILITIES DISTRICT NO. 2002-1 AND  
AUTHORIZING THE LEVY OF A SPECIAL TAX  
THEREIN**

**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, as the legislative body of the Community Facilities District, is authorized under the Act to levy special taxes (the “Special Taxes”) to pay for the costs of certain facilities; and

**WHEREAS**, the Board of Supervisors, pursuant to Ordinance No. 4478, adopted by the Board of Supervisors of the County on October 15, 2002, authorized and levied the Special Taxes within the Community Facilities District; and

**WHEREAS**, on June 20, 2006 the Board of Supervisors (the “Board of Supervisors”) of the County of Santa Barbara (the “County”) adopted a resolution entitled “A Resolution of the Board of Supervisors of the County of Santa Barbara Initiating Annexation of Territory to Orcutt Community Facilities District No. 2002-1 and to Authorize the Levy of Special Taxes Therein” (the “Resolution of Intention”), stating its intention to annex “Old Mill Run” residential development (APN 105-020-046) into the Orcutt Community Facilities District No. 2002-1 (the “Community Facilities District”) and authorize the levying of special taxes on the newly annexed parcels pursuant to the Mello-Roos Community Facilities Act of 1982 (the “Act”);

**WHEREAS**, the Board of Supervisors has held a noticed public hearing on the annexation to the Orcutt Community Facilities District and the authorization of levying special taxes on the newly annexed parcels, as required by the Act;

**WHEREAS**, at the hearing, the testimony of all interested persons and taxpayers for or against the annexation to the Orcutt Community Facilities District was heard and no oral or written protests against the annexation to the Orcutt Community Facilities District, the furnishing of any specified type or types of services to the annexed areas within the Orcutt Community Facilities District or the levying any specified special tax were made or filed at or before the hearing and the hearing was concluded on this date;

**WHEREAS**, an election was held in which the qualified electors of the area proposed to be annexed approved said propositions by more than the two-thirds vote required by the Act;

**WHEREAS**, Section 53340 of the Act provides that the legislative body of a community facilities district may provide, by resolution, for the levy of the special tax in the current year or future tax years at the same rate or at a lower rate than the rate provided by ordinance, if the resolution is adopted and a certified list of all parcels subject to the special tax levy including the amount of the tax to be levied on each parcel for the applicable tax year, is filed by the clerk or other official designated by the legislative body with the county auditor on or before the 10th day of August of that tax year; and

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

**Section 1.** The foregoing recitals are true and correct.

**Section 2.** The parcels contained within “Old Mill Run” residential development (APN 105-020-046) are hereby annexed into the Orcutt Community Facilities District No. 2002-1.

**Section 3.** The special tax assessment is hereby levied on the parcels comprising Old Mill Run residential development.

**Section 4.** Except where funds are otherwise available, a special tax sufficient to pay for all Services, secured by recordation of a continuing lien against all nonexempt real property annexed into the Community Facilities District, will be annually levied within the Community Facilities District. The rate and method of apportionment of the special tax (the “Rate and Method”), in sufficient detail to allow each landowner within the proposed Community Facilities District to estimate the maximum amount that he or she will have to pay, is described in Exhibit A attached hereto, which is by this reference incorporated herein. The special tax will be collected in the same manner as ordinary *ad valorem* property taxes or in such other manner as the Board of Supervisors shall determine, including direct billing of the affected property owners.

**Section 5.** The Clerk of the Board is directed to record forthwith in the Office of the Santa Barbara County Clerk Recorder a certified copy of this Ordinance and further directed to file forthwith a certified copy of this Ordinance with the Santa Barbara County Auditor-Controller.

**Section 6.** Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property in the Community Facilities District and this lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien canceled in accordance with law or until collection of the tax by the Board of Supervisors ceases.

**Section 7.** The Board of Supervisors hereby determines and finds that all proceedings up to and including the adoption of this Resolution were valid and in conformity with the requirements of the Act. In accordance with Section 53325.1 of the Act, such finding shall be final and conclusive.

**Section 8.** This Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** by the Board of Supervisors of the County of Santa Barbara, State of California, this \_\_\_ day of \_\_\_\_\_, 2006, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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

ATTEST:  
MICHAEL F. BROWN  
CLERK OF THE BOARD

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

Approved as to Form:  
Stephen Shane Stark  
County Counsel

Approved as to Form:  
Robert W. Geis  
Auditor-Controller

By \_\_\_\_\_  
Deputy County Counsel

By \_\_\_\_\_  
Deputy Auditor-Controller

**Exhibit A**  
**Special Tax Levy for Fiscal Year 2005-2006**

**1. Developed Property**

a. Special Tax

The Special Tax for Fiscal Year 2005-2006 for each Land Use Class is shown below in Table 1. The special tax rate will escalate each fiscal year by the greater of the change in the Los Angeles Urban Consumer Price Index during the past 12 months or 2%. For Fiscal Year 2005-06, the CPI was 4.39%.

**TABLE 1**

**MAXIMUM SPECIAL TAXES FOR DEVELOPED PROPERTY**  
**For Fiscal Year 2005-2006**  
**Community Facilities District No. 2002-1**

<b>Land Use Class</b>	<b>Land Use</b>	<b>Maximum Special Tax Per Dwelling Unit or Per Square Foot of Non-Residential Floor Area</b>
1	Single Family Property	\$662.64 per Dwelling Unit
2	Multi-Family Property	\$450.60 per Dwelling Unit
3	Non-Retail Commercial/Industrial Property	\$0.64276 per square foot
4	Retail Commercial Property	\$0.45724 per square foot
NA	Graded Property	\$50 per lot

**2. Graded Property**

As set forth in the Rate and Method, a Special Tax of \$50 shall be levied on Graded Property.

**3. Property Being Issued a Building Permit**

As set forth in the Rate and Method, a One-Time Special Tax of \$250 per Dwelling Unit and \$0.20 per square foot of Non-Residential Floor Area shall be levied at a building permit issuance on Developed Property.