

**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:** 1/4/04  
**Department Name:** County Administrator's Office  
**Department No.:** 012  
**Agenda Date:** 1/11/05  
**Placement:** Departmental  
**Estimate Time:** Two agenda items - 25 Minutes  
for the first plus 10 minutes for  
the second  
**Continued Item:** Yes  
**If Yes, date from:** 9/14/04

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**TO:** Board of Supervisors  
**FROM:** Michael F. Brown  
County Administrator  
**STAFF CONTACT:** Jason Stilwell, Project Manager, 568-3413  
**SUBJECT:** Providence Landing Community Facilities District  
(Third Supervisorial District, Vandenberg Village area)

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**Recommendation(s):**

That the Board of Supervisors in the first agenda item:

- A. Accept the Community Facilities District (CFD) No. 2004-1 (Providence Landing) report which describes the public services by type that will be required to adequately meet the needs of the CFD and also includes an estimate of the fair and reasonable cost of providing the public services and an estimate of the incidental expenses related thereto (Attachment 1);

Conduct a public hearing and accept testimony of all interested persons and taxpayers for or against the establishment of the Community Facilities District and:

- B. Adopt a Resolution forming the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing), authorizing the levy of a special tax within the District and establishing an appropriations limit for the District (Attachment 2);
- C. Adopt a Resolution calling a special election for the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) (Attachment 3) and trail this matter so that the election may be held and the results tallied during the Board meeting;

Later in the day at the second agenda item, after the election results are tallied, if the vote of qualified electors authorizes the levy of a special tax to finance certain services and sets an annual appropriation limit, it is recommended that the Board of Supervisors:

- D. Adopt a Resolution declaring results of the special election and directing recording of a notice of special tax lien (Attachment 4);
- E. Consider the introduction (First Reading) of an Ordinance levying special taxes within the County Of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) in its entirety and approve the first reading thereof (Attachment 5); and
- F. Approve and execute the First Amendment to the Agreement to Maintain a Public Park between the County of Santa Barbara, CPH Lompoc, LLC, and the Channel Islands YMCA to provide for a Developer's Maintenance Contribution for the Providence Landing public park (Attachment 6).

**Alignment with Board Strategic Plan:**

The recommendations 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:**

On July 9, 2002 the Board of Supervisors approved the Providence Landing Residential Project, located along the southern portion of Vandenberg Village and north of and adjacent to the Lompoc City limits, Third District. The project is approximately 141 acres and will consist of both single family detached residential units and affordable attached residential units and will include a twelve acre community park to be dedicated to the County.

One of the conditions of approval states the applicant is responsible for initiating the formation of a Community Facilities District (CFD). The CFD would assess all of the new single family detached homes located within the Providence Landing subdivision project for the cost of maintaining the community park. The affordable attached units will not be levied the tax to facilitate affordability. On June 22, 2004 the Board of Supervisors approved the final map, accepted easements and approved and executed an agreement with the developer to create the park and approved and executed an agreement with the developer to have the YMCA maintain the park.

The twelve acre park will include active recreation equipment and facilities. The park will include little league fields, a soccer field, a multi-use/roller hockey court, tennis courts, a volleyball court, group picnic facilities, concessions/restroom/office facilities, youth playground equipment (a tot lot), fences, security lighting, and on-site parking.

The owner and developer of the Providence Landing subdivision, CPH Lompoc, LLC, submitted a petition to the Board of Supervisors, with the required deposit of \$25,000 requesting a Community Facilities District be established "solely for the purpose of funding maintenance and operation of a community park and to establish an appropriations limit for the CFD." On August 10, 2004 the Board adopted Resolution 04-225 commencing the process of creating the Providence Landing Community Facilities District and set a hearing for September 14, 2004. The Board, with the concurrence of the applicant, continued that hearing to today's public hearing.

Today's public hearing consists of two parts. In the first part, the Board will receive a staff presentation and have the opportunity to consider accepting the CFD report, and consider the adoption of a resolution of formation and a resolution calling for a special election. Upon passage of these resolutions, and upon the Registrar of Voter's<sup>1</sup> receipt of executed Consent and Waivers from all of the affected property owners and receipt of ballots from those property owners, the Registrar will tally the election results prior to the Board's second agenda item on this subject. If the election results allow for the levy of the special tax and the setting of an appropriations limit, your Board will be asked to adopt a resolution declaring the results of the election, direct the recording of the notice of special tax lien, and conduct the first reading of the ordinance levying the special tax.

## **Discussion**

### **FIRST AGENDA ITEM**

#### **Community Facilities District Report**

The CFD Report is a required document in the preparation and formation of the Providence Landing CFD. The Report describes the public services by type that will be required to adequately meet the needs of the CFD and includes an estimate of the fair and reasonable cost of providing those public services and an estimate of the incidental expenses related to the CFD, which is primarily related to administration of the CFD.

The only public services authorized by the CFD are maintenance of a community park. The CFD will finance these services only to the extent that they are in addition to existing public services provided within the boundaries of the CFD before creation of the district. The special taxes required to finance the related annual cost of those public services will be apportioned as described in the attached Modifications Impact Report and Rate and Method of Apportionment.

All of the special taxes required to fund the CFD are subject to an annual cost adjustment of the greater of the change in the Los Angeles Urban Consumer Price Index, or two percent (2%). Staff recommends the Board accept the CFD report as contained in Attachment 1.

#### **Resolution of Formation**

The next step in forming the district is to open the public hearing pertaining to the formation of the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) and the levying of special taxes within the proposed boundaries of the CFD. This is the appropriate point in the formation process where all written or oral protests may be submitted by any property owners or persons registered to vote within the boundaries of the proposed CFD. If the owners of more than 50% of the land area in the CFD protest, then the CFD must be abandoned for one year. If the majority protests only against specific facilities, services, or special tax, only that facility, service or tax must be dropped. In this case, there is only one landowner, CPH Lompoc LLC so a protest of that landowner would necessitate abandonment of the proceedings.

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<sup>1/</sup> For the purpose of today's election, the Manager of the County Elections Division has been delegated the role of overseeing the election and declaring the election results. Where used in this Board Letter, the term "Registrar of Voters" may mean either the County Registrar of Voters or his designee.

When the Board has concluded its discussion and consideration of this item, and if there is no majority protest, staff recommends that your Board adopt the Resolution of Formation (Attachment 2), which establishes the boundaries, authorizes the levy of the special tax, and approves the types of services.

### Resolution Calling for a Special Election

The adoption by the Board of Supervisors of a resolution calling for a special election is the next step in the formation process. In order to take this next step, the Registrar of Voters must receive executed Request and Waivers<sup>2</sup> from 100% of the validated voters (property owners) in the CFD. The Board may then adopt the resolution calling for a special election. If the Board adopts both the resolution of formation of the District and the resolution calling for a special election, then the Registrar of Voters will immediately receive and tally the ballots.

## SECOND AGENDA ITEM

### Resolution Declaring the Results of the Election and Ordinance Levying Tax

The one landowner included within the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) has already been sent a Request for Waivers and ballots. Based upon contacts with representatives of that landowner, staff estimates that executed Request and Waivers will be received from 100% of the voters. Assuming that the Registrar of Voters does receive executed waivers from 100% of the voters, the remaining actions will be trailed until the Registrar of Voters can open the ballots, tabulate the results, and certify to your Board the Canvass and Statement of Results of Election.

Upon staff's return before the Board with the favorable election results, the Board may then adopt the resolution declaring the results of the special election and direct the recording of the notice of special tax lien. Thereafter, staff requests the Board waive the full reading of the ordinance levying the special tax and approve the first reading thereof and set the second reading for January 18, 2005.

### Amendment to Park Maintenance Agreement

The Board approved an Agreement to Maintain a Public Park on June 22, 2004. This agreement between the developer, YMCA, and County outlines the responsibilities and roles for maintaining the Providence Landing public park. Certain financial provisions can now be enhanced given the creation of the Providence Landing CFD. In particular, the developer has agreed to pay a Developer's Maintenance Contribution. These funds will enable the County to have sufficient funds to maintain the Providence Landing park from the day the County accepts the park and opens it to the public (thereby eliminating any gap in funding).

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<sup>2</sup> / This signed document waives any time limit specified by Section 53326 of the Act or requirement including, but not limited to, the conduct of the election, including all notices with respect thereto, any voter qualification requirements, any time limitations, any requirements as to form or content of election materials, any requirements for analysis and arguments with respect to the ballot measure, all publication requirements, all pre-election, election or voting procedures (other than the right to vote) and all canvass, recount and tie vote procedures. The Request and Waiver also requests that the special election be held under the Act on the propositions to levy a special tax with the CFD and to establish an appropriations limit for the CFD be conducted by the County and its officials using mailed or hand-delivered ballots, that such ballots be opened and canvassed at such election, and that the results of such election be certified at the same meeting of the Board of Supervisors as the public hearing.

## Conclusion

The Providence Landing development plan approval requires, as a condition of approval, the developer applicant to initiate the formation of a CFD to ensure that funding is available for the maintenance of a twelve acre community park to be dedicated to the County.

The County's Debt Advisory Committee has determined that the formation of a CFD is the best way for the County to fund the net additional operations and maintenance costs associated with new development. County staff, the affected developer, community members and the Debt Advisory Committee have worked together to develop and identify the boundaries of the proposed district, the services to be funded through it, the special tax rates, and the properties that would be subject to the special tax. The boundaries of the territory proposed for inclusion in the CFD are described in the attached map (Exhibit A of Attachment 1). The Rate and Method of Apportionment for the special taxes is also attached. Major legal requirements regarding the formation of a Community Facilities District and other aspects of the Mello-Roos Act have been included in Appendix A.

## **Mandates and Service Levels:**

The MELLO-ROOS COMMUNITY FACILITIES ACT OF 1982 and California Government Code mandates that the Public Hearing for creation of a Community Facilities District commence subsequent to the Board's adoption of the Resolution of Intention (August 10, 2004).

California Government Code 53322 and 53322.4 mandates the County publish notice.

## **Fiscal and Facilities Impacts:**

Formation of the Providence Landing Community Facilities District will finance the services only to the extent that such services are in addition to those provided in the territory of the CFD before the CFD was created and such services may not supplant services already available within the CFD area. CFD taxes will be levied only on the new single family detached development in the Providence Landing subdivision. The single family attached housing is exempt from the CFD taxes to facilitate affordable housing.

The annual park maintenance costs are projected to be \$347,100 or \$1,300 per assessor's parcel. A 10% contingency is included within this estimate. These costs include an estimate of the all costs associated with the maintenance of the park including costs required for the proposed park operator to procure general liability insurance given the private operator may not be covered under the County's immunity umbrella. It is estimated liability insurance premiums of approximately \$21,000 increase the assessment by \$79 per assessor's parcel.

A Maximum Special Tax of \$1,300 per assessor's parcel will be collected on single family detached property within the Providence Landing Community Facilities District in accordance with the attached Rate and Method of Apportionment (Attachment 2). Fund 2271 is set up to administer the CFD. Taxes that are collected will go directly into that fund, and a budget will be programmed in as part of the budget process based on anticipated revenues and costs to provide the services authorized by the CFD. Operation and maintenance expenditures for the park will be the responsibility of the developer for three years. CFD

revenue will begin to generate as single family residential development occurs; there is not a firm 2005-2006 revenue estimate for the CFD as it is contingent upon the market rate of new single family home sales within the CFD boundary.

**Special Instructions:**

Please send copies of the minute order on this item to Jason Stilwell and to Michael Ledbetter. Also, send two fully executed sets of the resolutions and ordinance to Jason Stilwell, as these documents will be included in the closing transcripts.

Pursuant to the resolution declaring special election results and directing recordation of notice of special tax lien (Attachment 4), the Clerk of the Board of Supervisors is requested to record in the office of the County Recorder a notice of special tax lien in the form required by the act no later than fifteen days following these proceedings.

**Concurrence:**

Parks Department  
County Counsel  
Capital Pacific Homes

**Attachments:**

- Attachment 1: Providence Landing CFD Report
- Attachment 2: Resolution of Formation
- Attachment 3: Resolution Calling Special Election
- Attachment 4: Resolution Declaring Special Election Results and Directing Recording of Notice of Special Tax Lien
- Attachment 5: Ordinance Levying Special Taxes
- Attachment 6: First Amendment to the Agreement to Maintain a Public Park

**CC:** Terri Maus-Nisich, County Parks Department  
Claude Garciaceley, County Parks Department  
Bob Smith, Elections  
Michael Ledbetter, County Counsel  
Erik Vasquez, CPH Lompoc, LLC, Capital Pacific Homes, Inc. 4050 Calle Real Ste 200-B Santa Barbara CA 93110

## **APPENDIX A – MELLO-ROOS ACT AND FORMATION PROCEDURES**

### **The Mello-Roos Community Facilities Act**

The Mello-Roos Community Facilities Act (the “Act”), enacted in 1982, provides cities, counties and special districts the ability to form Community Facilities Districts (“CFDs”) over specific defined areas within their jurisdiction. A CFD is a special financing entity through which a local government is empowered to levy special taxes and/or issue bonds authorized by a two-thirds vote of the qualified electors of such district.

The special taxes are not assessments, and there is no requirement that the special tax be apportioned on the basis of benefit to the property being taxed. This affords greater flexibility in designing the special tax. A special tax levied by a district is not an ad valorem property tax under Article XIII A of the California Constitution, however the lien of the special taxes has the same priority as property taxes.

The Act may be used to finance the construction, expansion, rehabilitation, or acquisition of any real or other tangible property, which is or will be constructed, owned or operated by a public entity. A CFD may finance a broad range of facilities including facilities that benefit property in a general way as opposed to benefiting specifically identified parcels. Therefore, a CFD may finance facilities, which have a special benefit such as streets, water, sewer, and drainage facilities as well as facilities with a general benefit such as parks, schools, libraries, childcare facilities, jails and administration facilities.

The Act also provides an alternative method for financing certain public operations and maintenance services such as:

1. Police protection services, including but not limited to, jails, detention facilities and juvenile halls.
2. Fire protection and suppression services and ambulance and paramedic services.
3. Recreation program services, library services and operation and maintenance of parks, parkways, open space, museums, cultural facilities, and elementary and secondary school sites and structures.
4. Flood and storm protection services, including the operation and maintenance of storm drainage systems.
5. Removal or remedial action services for the cleanup of any hazardous substance released or threatened to be released into the environment.

Generally, a district may finance both services and facilities. Services may be financed only to the extent that they are in addition to those provided in the territory of the district before it was created and may not supplant services already available when the district was created. In essence, services may only be financed to the extent of new growth. In addition, a landowner election may not authorize the levy of a special tax for recreation program services, library services, school maintenance services or museum and cultural facility maintenance services. Such restrictions do not apply, however to services authorized by registered voter election.

### **Proceedings To Create A Community Facilities District**

A CFD is a legally constituted governmental entity created for the purpose of financing the facilities and services described above. It is created by an existing public entity and its legislative body is the legislative body of the public entity, which sponsors its creation. The legislative body may institute proceedings on its own initiative and is required to initiate proceedings when a written request is made by two members of the

legislative body, or a petition is signed by not less than 10% of the registered voters residing within the territory proposed to be within the district or by landowners of 10% of the area of land within the proposed CFD.

When the proceedings commence by the petition of the property owners, the petition must be accompanied by payment of a fee determined to be sufficient to pay for costs incurred in conducting the proceedings. Upon receipt of a written request or petition, the legislative body must adopt within 90 days a resolution of intention stating that a CFD is proposed to be established, the name of the proposed CFD, the types of facilities or services to be financed, and that except where funds are otherwise available, a special tax to pay for such facilities and services will be annually levied. The resolution of intention fixes a time and place for a public hearing to occur between 30 and 60 days after the adoption of the resolution of intention that describes the method of levy and apportionment of the special tax and the proposed voting procedure for subsequent CFD formation. If certain findings can be made, the public hearing may be continued for up to six months. At the time of adopting the resolution of intention, the legislative body will direct staff to study the proposed district and to file a report at the public hearing describing the proposed public facilities and services and an estimate of costs.

Notice of the public hearing must be published in a newspaper of general circulation and also may be mailed by first class mail to each registered voter and to each landowner within the proposed district within specified time limits. A map of the proposed boundaries of the CFD is filed with the clerk of the legislative body and with the county recorder prior to the public hearing.

At or prior to the hearing, protests against the formation of the CFD, the extent of the boundaries of the CFD or the furnishing of specified types of public facilities or services may be made orally or in writing by interested persons or taxpayers. If 50% or more of the registered voters, or 6 registered voters, whichever is more, residing within the proposed CFD, or the owners of one-half or more of the area of land in the proposed CFD file written protests against the establishment of the CFD, the proceedings are abandoned. If the protests are directed toward certain types of facilities or services, or against a specified special tax, those specific items may be eliminated from the resolution forming the CFD. The hearing may be continued for up to 30 days without special findings and up to 6 months if the legislative body makes specified findings. The territory within a CFD need not be contiguous. During the public hearing, the proposed boundaries may be altered to include less territory than described in the notice of hearing but may not be altered to include new territory.

If after the public hearing, the legislative body decides to establish the CFD, it adopts a resolution of formation containing the information contained in the resolution of intention and making a determination as to the validity of all prior proceedings related to the CFD.

### Election

Once the legislative body forms the CFD it submits the question of whether the special taxes should be levied to the qualified voters of the proposed CFD. The Act provides that the election shall be at the next general election, or a special election, to be held between 90 and 180 days following the close of the protest hearing. The election time limits may be shortened by the unanimous consent of the qualified electors within the proposed district and the concurrence of the election official conducting the election.



Under the Act, in developed areas the “qualified electors” are the registered voters of the area within the CFD. Each registered voter is entitled to one vote. However in CFDs with fewer than 12 registered voters, the qualified electors are the landowners within the CFD. The landowners are entitled to one vote per acre or portion thereof owned within the CFD. Mello-Roos elections have been commonly conducted by mail ballot as specifically provided by the Act.

In order to levy the special tax, it must be approved by two-thirds of the votes cast and thereafter levied by adoption of an ordinance of the legislative body. After a successful election, a Notice of Special Tax Lien is recorded with the county recorder.

**COMMUNITY FACILITIES DISTRICT REPORT  
MELLO-ROOS COMMUNITY FACILITIES ACT OF 1982**

**COUNTY OF SANTA BARBARA  
COMMUNITY FACILITIES DISTRICT  
NO. 2004-01  
(PROVIDENCE LANDING)**

**Prepared for**

**COUNTY OF SANTA BARBARA**  
123 East Anapamu Street  
Santa Barbara, California 93101

**Prepared by**

**SANTA BARBARA COUNTY PARKS**  
610 Mission Canyon Road  
Santa Barbara, California 93105  
(805)568-2461

**December 29, 2004**

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### **Exhibits**

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Exhibit A	Boundary Map
Exhibit B	Rate and Method of Apportionment
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## **I. INTRODUCTION**

WHEREAS, the County of Santa Barbara (hereinafter referred to as the “County”) did, pursuant to the provision of the “Mello-Roos Community Facilities Act of 1982,” being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (hereinafter referred to as the “Act”), and specifically Section 53321.5 thereof, expressly order the filing of a written “Report” with the legislative body of the proposed County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing), hereinafter referred to as:

“CFD No. 2004-1”; and,

WHEREAS, the Board of Supervisors (the “Board of Supervisors”) of the County of Santa Barbara approved the Resolution of Intention to establish CFD No. 2004-1, to authorize the levy of a Special Tax to finance certain services and expenses within CFD No. 2004-1, and to request the preparation of a CFD Report to demonstrate the following:

1. A brief description of the public services by type which will be required to adequately meet the needs of CFD No. 2004-1;
2. An estimate of the fair and reasonable cost of providing the public services and an estimate of the incidental expenses related thereto; and

WHEREAS, the matters and information set forth in this report constitute a compilation of information otherwise on file and available for review by the Board of Supervisors of the County of Santa Barbara at the date of adoption of Resolution No. 04-225 on August 10, 2004.

NOW, THEREFORE, the Director of the County Parks Department, the authorized representative of the County of Santa Barbara and the appointed responsible officer directed to prepare the Report or cause the Report to be prepared pursuant to the provisions of the Act, does hereby submit this Report.

## **II. PROJECT DESCRIPTION**

CFD 2004-1 encompasses approximately 130 acres of land in the unincorporated area of Santa Barbara County known as Vandenberg Village north of the City of Lompoc. The area is generally located south of Highway 1 and north of Vandenberg Air Force Base. A map showing this territory is referenced under Section VI and included in Exhibit A of this Report. Within the CFD, a Special Tax shall be levied only on new development for residential property as set forth in the Rate and Method of Apportionment and summarized in Table 1.

**TABLE 1**  
**Expected Buildout**  
**Community Facilities District No. 2004-1**  
**(Providence Landing)**

<u>Land Use</u>	<u>Projected Number of Units</u>
Single Family Residential Property	267 units

**III. DESCRIPTION AND ESTIMATED COSTS OF PROPOSED SERVICES**

**A. *Description of Proposed Public Services***

The public services authorized by CFD No. 2004-1 are the maintenance of a twelve acre active public park within the CFD. CFD No. 2004-1 finances the above services only to the extent that they are in addition to existing public services provided within the boundaries of CFD No. 2004-1 before creation of the district and such authorized service may not supplant services already available within CFD No. 2004-1 at the creation of the CFD. The Special Taxes required to finance the related annual costs of those public services will be apportioned as described in the Rate and Apportionment of the Special Tax for CFD No. 2004-1.

**B. *Estimated Costs of Proposed Public Services***

The intent of the CFD is to fund the anticipated revenue shortfall in providing the public service listed above at buildout of the public park at Providence Landing. The maximum special taxes that can be levied through the CFD at buildout will be \$347,100 (see Section V, below). However, the actual amount to be levied will be determined by the County Board of Supervisors on an annual basis. It is anticipated that the cost of administering the CFD will be approximately \$17,355 per year.

**IV. BONDED INDEBTEDNESS AND INCIDENTAL EXPENSES**

**A. *Projected Bond Sales (None)***

CFD No. 2004-1 is not authorized to sell bonds.

**B. *Incidental Expenses to be Included in the Annual Levy of Special Taxes***

Pursuant to Section 53340 of the Act, the proceeds of any Special Tax may only be used to pay, in whole or part, the cost of providing public facilities, services and incidental expenses. As defined by the Act, incidental expenses include, but are not limited to, the cost of planning and designing public facilities to be financed, including the cost of

environmental evaluations of those facilities. As there is no intention or authorization for CFD No. 2004-1 to sell bonds, the incidental expenses to be funded through Special Taxes shall be limited to the costs associated with the creation of the district, determination of the amount of Special Taxes, collection of Special Taxes, payment of Special Taxes, or costs otherwise incurred in order to carry out the authorized purposes of the district. While the actual cost of administering CFD No. 2004-1 may vary, it is anticipated that the amount of Special Taxes that can be collected will be sufficient to fund the CFD's annual administrative expenses.

## **V. RATE AND METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Pursuant to Section 53325.3 of the Act, the tax imposed in a CFD "is a special tax and not a special assessment, and there is no requirement that the tax be apportioned on the basis of benefit to any property." The Special Tax "may be based on benefit received by parcels of real property, the cost of making facilities or authorized services available to each parcel or other reasonable basis as determined by the legislative body," although the Special Tax may not be apportioned on an ad valorem basis pursuant to Article XIII A of the California Constitution. The adopted Rate and Method of Apportionment ("RMA"), attached herewith as Exhibit B, provides information sufficient to allow each property owner within CFD No. 2004-1 to estimate the maximum annual Special Tax he or she will be required to pay.

The RMA requires that all Assessor's Parcels within CFD No. 2004-1 be categorized as Homeowner Property, Property Owner Association Property, Public Property, or Residential Property. The principal assumption inherent in the calculation of Special Taxes as defined in the RMA is that the level of benefit received from the proposed public services is based on the land use of newly developed or soon-to-be developed property. No Special Taxes will be levied on Property Owner Association Property or Public Property.

Based on the RMA, all property within CFD No. 2004-1, except for Property Owner Association Property or Public Property, shall be taxed for the purpose of providing needed services to properties within the district.

Each Fiscal Year, the Special Tax levy shall be calculated in an amount sufficient to cover the costs required to meet the financial needs for operations and maintenance of the park, but not to exceed the maximum Special Tax. The Special Tax will be levied annually per assessor parcel or legal lot for residential property.

Based on this concept, the proposed budget attached hereto as Exhibit C and incorporated by this reference was created. As determined therein, the total cost to fund operations and maintenance is \$347,100 per year. The Special Tax to pay the cost of public park maintenance and operation for each assessor's parcel will be \$1,300 per year.

The maximum annual Special Tax that can be levied within the CFD will increase annually by the greater of the change in the Los Angeles Urban Consumer Price Index

during the twelve months ending in December of the Fiscal Year prior to the Fiscal Year in which the Special Tax is being levied, or two percent (2%).

## **VI. BOUNDARIES OF COMMUNITY FACILITIES DISTRICT**

The boundaries of CFD No. 2004-1 include all land on which the Special Taxes may be levied. The boundary map for CFD No. 2004-1 was recorded in the Office of the Recorder of Santa Barbara County, Maps of Assessment and Community Facilities Districts. A reduced copy of the boundary map for CFD No. 2004-1 is provided as Exhibit A.

## **VII. GENERAL TERMS AND CONDITIONS**

### **A. *Substitution of Services***

The description of the public services, as set forth herein, are general in their nature. The final nature and location of the specific services to be funded by the CFD will be determined by the County Board of Supervisors on an annual basis. The actual services funded may show substitutes, in lieu or modifications to the proposed services that benefit the CFD, and any such substitution shall not be a change or modification in the proceedings as long as the services provided are of a type substantially similar to that as set forth in this Report.

**EXHIBIT A**

**COUNTY OF SANTA BARBARA  
COMMUNITY FACILITIES DISTRICT NO. 2004-1  
(PROVIDENCE LANDING)**

**BOUNDARY MAP**



**EXHIBIT B**

**COUNTY OF SANTA BARBARA  
COMMUNITY FACILITIES DISTRICT NO. 2004-1  
(PROVIDENCE LANDING)**

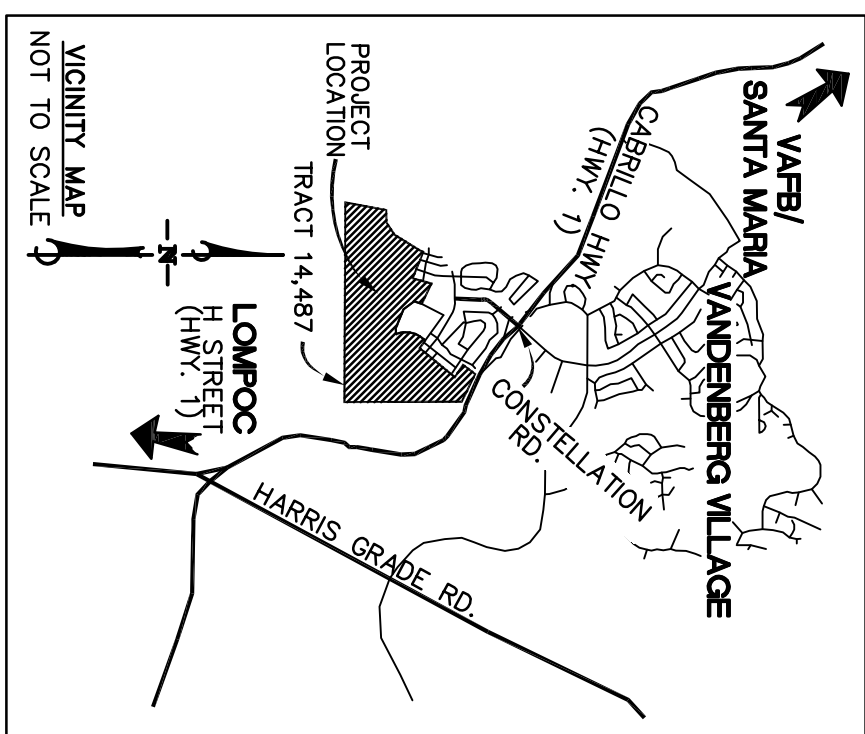
**RATE AND METHOD OF APPORTIONMENT**

**EXHIBIT C**

**COUNTY OF SANTA BARBARA  
COMMUNITY FACILITIES DISTRICT NO. 2004-1  
(PROVIDENCE LANDING)**

**CFD BUDGET/ESTIMATED COSTS**

# PROPOSED BOUNDARY OF COMMUNITY FACILITIES DISTRICT NO. 2004-1 COUNTY OF SANTA BARBARA - STATE OF CALIFORNIA




**LEGAL DESCRIPTION:**

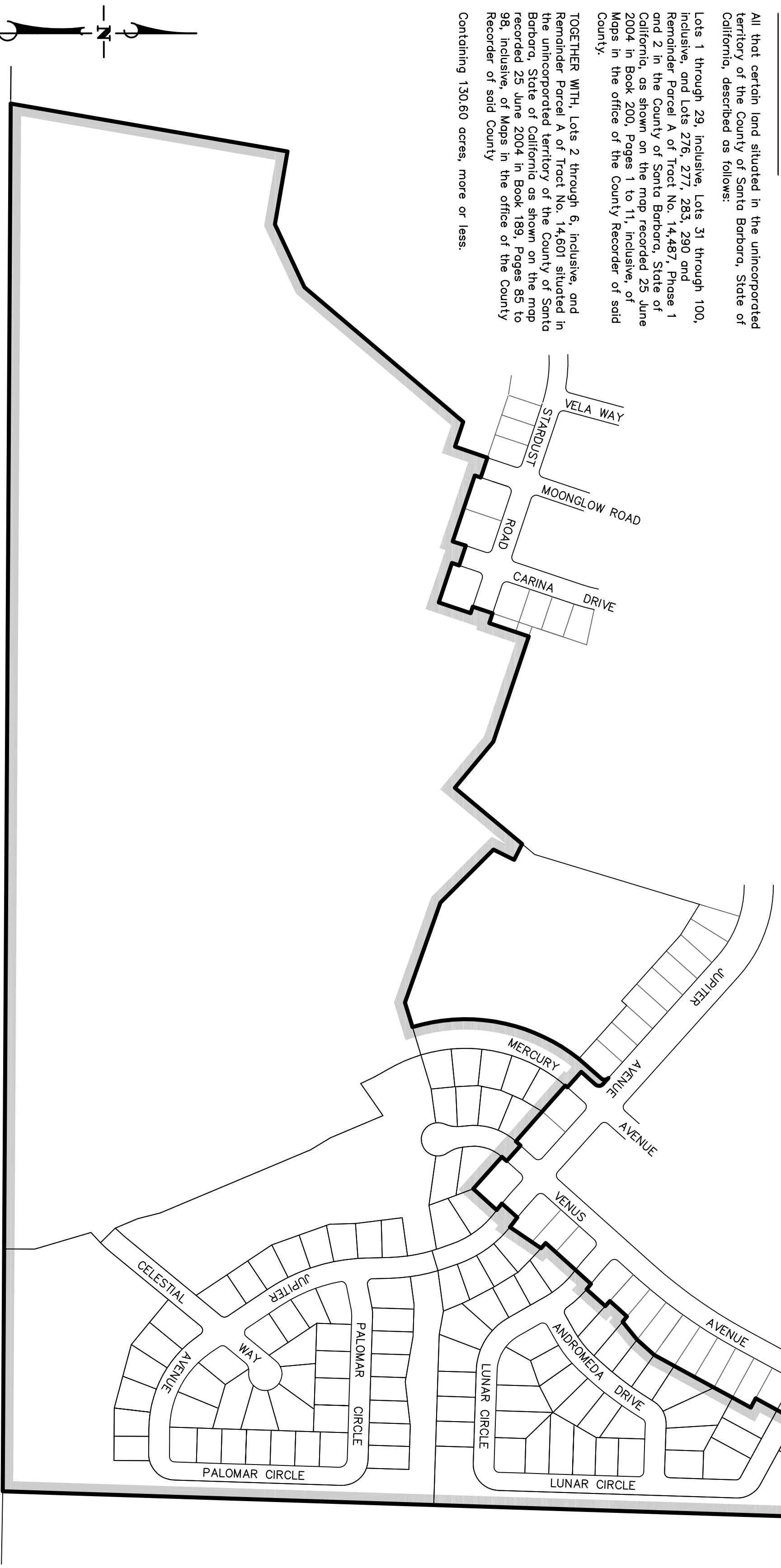
All that certain land situated in the unincorporated territory of the County of Santa Barbara, State of California, described as follows:

Lots 1 through 29, inclusive, Lots 31 through 100, inclusive, and Lots 276, 277, 283, 290 and Remainder Parcel A of Tract No. 14,487, Phase 1 and 2 in the County of Santa Barbara, State of California, as shown on the map recorded 25 June 2004 in Book 200, Pages 1 to 11, inclusive, of Maps in the office of the County Recorder of said County.

TOGETHER WITH, Lots 2 through 6, inclusive, and Remainder Parcel A of Tract No. 14,601 situated in the unincorporated territory of the County of Santa Barbara, State of California as shown on the map recorded 25 June 2004 in Book 189, Pages 85 to 98, inclusive, of Maps in the office of the County Recorder of said County.

Containing 130.60 acres, more or less.

**LEGEND:**  
 - BOUNDARIES OF COMMUNITY FACILITIES DISTRICT 2004-1



**CLERK OF THE BOARD'S STATEMENT:**

I HERBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARY OF COMMUNITY FACILITIES DISTRICT 2004-1 (PROVIDENCE LANDING) COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA BARBARA AT A REGULAR MEETING THEREOF, HELD ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2004, BY RESOLUTION NO. \_\_\_\_\_.

FILED IN THE OFFICE OF THE COUNTY CLERK, COUNTY OF SANTA BARBARA THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2004.  
 MICHAEL E. BROWN  
 CLERK OF THE BOARD OF SUPERVISORS  
 OF SANTA BARBARA COUNTY

BY: \_\_\_\_\_  
 DEPUTY

**COUNTY RECORDER'S STATEMENT:**

FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2004, AT THE HOUR OF \_\_\_\_\_ O'CLOCK \_\_\_\_\_ M. IN BOOK \_\_\_\_\_ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE \_\_\_\_\_ IN THE OFFICE OS THE COUNTY RECORDER IN THE COUNTY SANTA BARBARA, STATE OF CALIFORNIA.

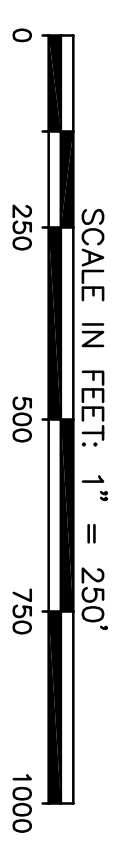
FILED IN THE OFFICE OF THE COUNTY RECORDER, COUNTY OF SANTA BARBARA THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2004.

JOSEPH E. HOLLAND  
 COUNTY CLERK - RECORDER - ASSESSOR BY: \_\_\_\_\_  
 DEPUTY

**COUNTY SURVEYOR'S STATEMENT:**

THIS MAP WAS PREPARED UNDER MY DIRECTION IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 27557 AT THE REQUEST OF THE TREASURER-TAX COLLECTOR OF SANTA BARBARA COUNTY. I CERTIFY THE DISTRICT LINES SHOWN HEREON ARE CONSISTENT WITH THE PROPOSED BOUNDARY OF THE COMMUNITY FACILITIES DISTRICT NO. 2004-1 APPROVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA BARBARA, ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2004, BY RESOLUTION NO. \_\_\_\_\_.

MICHAEL B. EMMONS  
 COUNTY SURVEYOR DATE \_\_\_\_\_  
 P.L.S. 5899  
 LICENSE EXPIRATION DATE: 12/31/2004



**FIRST AMENDED AND RESTATED  
RATE AND METHOD OF APPORTIONMENT FOR  
COUNTY OF SANTA BARBARA  
COMMUNITY FACILITIES DISTRICT NO. 2004-1  
(Providence Landing)**

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) ("CFD No. 2004-1") and collected each Fiscal Year commencing in Fiscal Year 2005-06, in an amount determined by the Board through the application of the appropriate Special Tax for "Residential Property" as described below. All of the real property in CFD No. 2004-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**A. DEFINITIONS**

The terms hereinafter set forth have the following meanings:

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

**"Administrative Expenses"** means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2004-1: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the County or any designee thereof or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs to the County, CFD No. 2004-1 or any designee thereof of complying with County, CFD No. 2004-1 or obligated persons disclosure requirements associated with the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the County, CFD No. 2004-1 or any designee thereof related to an appeal of the Special Tax; and the County's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the County or CFD No. 2004-1 for any other administrative purposes of CFD No. 2004-1, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

**"Assessor's Parcel"** means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel number. "Assessor's Parcel" also includes all Legal Lots which have been created under the Subdivision Map Act but for which an Assessor's Parcel number has not yet been assigned.

**"Assessor's Parcel Map"** means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

**"Board"** means the Board of Supervisors of the County, acting as the legislative body of CFD No. 2004-1.

**"CFD Administrator"** means an official of the County, or any designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

**"CFD No. 2004-1"** means County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing).

**"County"** means the County of Santa Barbara.

**"Homeowner Property"** means, for each Fiscal Year, all residentially zoned Assessor's Parcels not including Public Property and Property Owner Association Property which has been sold and transferred title to a homeowner as of May 1 of the Fiscal Year preceding the Fiscal Year for which Special Taxes are being levied.

**"Final Map"** means a subdivision of property creating buildable single family residential lots by recordation of a final map or a lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq., as such section may be amended or replaced), or recordation of a condominium plan pursuant to California Civil Code Section 1352, as such section may be amended or replaced, that creates individual lots for which land use permits may be issued without further subdivision.

**"Fiscal Year"** means the period starting July 1 and ending on the following June 30.

**"Legal Lot"** means each legal parcel of land shown on a tentative or parcel map, a recorded subdivision map, or as evidenced by a certificate of compliance.

**"Los Angeles Urban Consumer Price Index"** means, for each Fiscal Year, the Consumer Price Index published by the U.S. Bureau of Labor Statistics for All Urban Consumers in the Los Angeles - Anaheim - Riverside Area, measured as of the month of December in the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the Consumer Price Index for the City of Los Angeles.

**"Maximum Special Tax"** means, for each Fiscal Year, the maximum Special Tax, determined in accordance with Section C below, that can be levied in such Fiscal Year on any Assessor's Parcel.

**"Property Owner Association Property"** means, for each Fiscal Year, any Assessor's Parcel within the boundaries of CFD No. 2004-1 that is owned by or irrevocably offered for dedication to a property owner association, including any master or sub-association.

**"Proportionately"** means that the ratio of the actual annual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Residential Property.

**"Public Property"** means, for each Fiscal Year, (i) any property within the boundaries of CFD No. 2004-1 that is owned by or irrevocably offered for dedication to the federal government, the State, the County or any other public agency; provided however that any

property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act, as such section may be amended or replaced, shall be taxed and classified in accordance with its use; or (ii) any property within the boundaries of CFD No. 2004-1 that is encumbered by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

**"Reserves"** shall mean an amount not to exceed \$347,100 in fiscal year 2005-2006. On each July 1, commencing on July 1, 2006, the amount will be increased annually by the greater of the change in the Los Angeles Urban Consumer Price Index during the twelve months prior to December of the previous Fiscal Year, or two percent (2%).

**"Residential Property"** means, for each Fiscal Year after the opening and conveyance of the Providence Landing Park to the County, all residentially zoned Assessor's Parcels not including Homeowner Property, Public Property and Property Owner Association Property.

**"Services"** means services for operation and maintenance of parks. CFD No. 2004-1 shall finance Services only to the extent that they are in addition to those provided in the territory of CFD No. 2004-1 before the CFD was created and such Services may not supplant services already available within CFD No. 2004-1 when the CFD was created. Additionally Services may include reserves for park maintenance.

**"Special Tax"** means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Residential Property to fund the Special Tax Requirement.

**"Special Tax Requirement"** means that amount to be collected in any Fiscal Year for CFD No. 2004-1 to pay for certain costs as required to meet the needs of the CFD in that Fiscal Year. The costs to be covered shall be the direct costs for (i) Services, (ii) Reserves, and (iii) Administrative Expenses; less (iv) a credit for funds available to reduce the annual Special Tax levy, if any, as determined by the CFD Administrator. Under no circumstances shall the Special Tax Requirement include debt service payments for debt financings by CFD No. 2004-1.

**"State"** means the State of California.

## **B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Assessors Parcels as within CFD No. 2004-1 shall be classified as Homeowner Property, Residential Property, Property Owner Association Property, or Public Property. However, only Homeowner Property and Residential Property shall be subject to annual Special Taxes in accordance with the rate and method of apportionment determined pursuant to Sections C and D below.

## **C. MAXIMUM SPECIAL TAX RATE**

### **1. Maximum Special Tax**

The Maximum Special Tax for Fiscal Year 2005-06 for each Assessors Parcel of Homeowner Property and Residential Property is \$1,300 per Assessor's Parcel.

**2. Increase in the Maximum Special Tax**

On each July 1, commencing on July 1, 2006, the Maximum Special Tax set forth above will be increased annually by the greater of the change in the Los Angeles Urban Consumer Price Index during the twelve months prior to December of the previous Fiscal Year, or two percent (2%).

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2005-06 and for each following Fiscal Year, the Board shall determine the Special Tax Requirement and shall levy the annual Special Tax Proportionately for each Assessor's Parcel As follows:

First: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Homeowner Property at up to 100% of the applicable Maximum Annual Special Tax to satisfy the Special Tax Requirement;

Second: If the sum of the amounts collected in step one is insufficient to satisfy the Special Tax Requirement, then the Board shall Proportionately levy an annual Special Tax on each Assessor's Parcel of Residential Property in an amount up to the Maximum Special Tax applicable to each such Assessor's Parcel to satisfy the Special Tax Requirement.

**E. EXEMPTIONS**

No Special Tax shall be levied on Public Property or Property Owner Association Property. However, should an Assessor's Parcel no longer be classified as Public Property or Property Owner Association Property, such Assessor's Parcel shall, upon each reclassification, no longer be exempt from Special Taxes.

**F. APPEALS AND INTERPRETATIONS**

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Board by filing a written notice of appeal with the County Clerk, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for the appellant's disagreement with the CFD Administrator's determination. The CFD Administrator may charge the appellant a reasonable fee for processing the appeal.

Interpretations may be made by the Board by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.

**G. MANNER OF COLLECTION**

The annual Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 2004-1 may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations.

**H. TERM OF SPECIAL TAX**

The Special Tax shall be levied in perpetuity as necessary to meet the Special Tax Requirement.



Exhibit "C"

**Providence Landing**

**Park Maintenance & Operations Estimated Costs**

<u>Description</u>	<u>Comment</u>	<u>Annual Cost</u>
DIRECT EXPENSES		
<i>Salaries and Benefits</i>		68,981
<i>Operations and Maintenance</i>		
Training	Safety/environmental	1,200
Legal		1,200
Insurance	General Liability	21,000
Bank charges		250
RE Tax/Other		600
Permits		200
Electricity		4,728
Gas		10,260
Water		21,600
Sewer		4,800
Custodial	Restroom	12,000
Landscaping	Subcontract	76,884
Refuse	Includes Recycling	12,000
Tennis Courts		1,320
Telephone/Data Lines		1,200
Advertising/Printing		600
Misc.		1,000
General Supplies		5,400
Small Equipment		1,000
R&R	Sprinklers, Lamps, etc.	6,000
Depreciation		4,000
<i>O &amp; M Subtotal</i>		<u>187,242</u>
Direct Expense Subtotal		<u>256,223</u>
INDIRECT EXPENSE		
<i>Adminstration and Overhead</i>		53,687
Yearly Total - Direct and Indirect Expenses at Park		\$309,910
Contingency	12%	<u>37,189</u>
TOTAL ESTIMATED		<u><u>347,099</u></u>
Per parcel estimate (267 parcels)		1,300

Note: The 12 acre public park will include active recreation equipment and facilities. The park will include little league fields, a soccer field, a multi-use/roller hockey court, tennis courts, a volleyball court, group picnic and individual picnic facilities, concessions/restroom/office facilities, youth play ground (tot lot), fences, security lighting, on-site parking and other appurtenant park facilities.

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

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA BARBARA OF FORMATION OF THE COUNTY OF SANTA BARBARA COMMUNITY FACILITIES DISTRICT NO. 2004-1 (PROVIDENCE LANDING), AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN THE DISTRICT AND ESTABLISHING AN APPROPRIATIONS LIMIT FOR THE DISTRICT**

**WHEREAS**, on August 10, 2004, 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 of Intention to Establish a Community Facilities District and to Authorize the Levy of Special Taxes” (the “Resolution of Intention”), stating its intention to form a community facilities district (the “Community Facilities District”) proposed to be named the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) pursuant to the Mello-Roos Community Facilities Act of 1982 (the “Act”);

**WHEREAS**, on this date, the Board of Supervisors conducted a noticed public hearing originally scheduled for September 14, 2004 and continued to this date on the establishment of the Community Facilities District, as required by the Act and the Resolution of Intention;

**WHEREAS**, at or before the time of the hearing, the report required by Section 53321.5 of the Act was filed with the Board of Supervisors;

**WHEREAS**, at the hearing, the testimony of all interested persons and taxpayers for or against the establishment of the Community Facilities District, the extent of the Community Facilities District and the furnishing of the specified types of services was heard;

**WHEREAS**, the proposed boundaries of the Community Facilities District are shown on the map entitled “Proposed Boundary of Community Facilities District No. 2004-1 (Providence Landing), County of Santa Barbara, State of California” (the “Boundary Map”), which map was filed with the Clerk of the Board of Supervisors and was recorded in Book 4 at Page 24 of Maps of Assessments and Community Facilities Districts in the office of the County Recorder; and

**WHEREAS**, no oral or written protests against the establishment of the Community Facilities District, the furnishing of any specified type or types of services within the 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;

**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 Community Facilities District is hereby established pursuant to the Act.

**Section 3.** The Community Facilities District is hereby named the “County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing).”

**Section 4.** The services (the “Services”) proposed to be financed by the Community Facilities District and funded by the special tax pursuant to the Act are services for maintenance of parks. The incidental expenses proposed to be incurred are the costs associated with the creation of the Community Facilities District, determination of the amount of taxes, collection of taxes, payment of taxes, or costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District.

**Section 5.** The proposed special tax to be levied within the Community Facilities District has not been precluded by majority protest pursuant to Section 53324 of the Act.

**Section 6.** 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 in 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 7.** The name, address and telephone number of the office which will be responsible for preparing annually a current roll of special tax levy obligations by assessor’s parcel number and which will be responsible for estimating further special tax levies pursuant to Section 53340.1 of the Act are as follows: County Administrator Room 406, County of Santa Barbara, 105 East Anapamu Street, Santa Barbara, California 93101-2065, (805) 568-3400.

**Section 8.** 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 9.** The Boundary Map has been recorded in the County in Book 4 at Page 24 of Maps of Assessments and Community Facilities Districts in the office of the County Recorder.

**Section 10.** The annual appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, of the Community Facilities District is hereby established at Two Million Dollars (\$2,000,000).

**Section 11.** Pursuant to the provisions of the Act, the levy of the special tax and a proposition to establish the appropriations limit specified above shall be subject to the approval of the qualified electors of the Community Facilities District at a special election. The voting procedure shall be by mailed or hand-delivered ballot among the landowners in the Community

Facilities District, with each owner having one vote for each acre or portion of an acre such owner owns in the Community Facilities District.

**Section 12.** 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 13.** 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 \_\_\_\_\_, 2005, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Joseph Centeno  
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**

**PROPOSED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

**FIRST AMENDED AND RESTATED  
RATE AND METHOD OF APPORTIONMENT FOR  
COUNTY OF SANTA BARBARA  
COMMUNITY FACILITIES DISTRICT NO. 2004-1  
(Providence Landing)**

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) ("CFD No. 2004-1") and collected each Fiscal Year commencing in Fiscal Year 2005-06, in an amount determined by the Board through the application of the appropriate Special Tax for "Residential Property" as described below. All of the real property in CFD No. 2004-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**A. DEFINITIONS**

The terms hereinafter set forth have the following meanings:

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

**"Administrative Expenses"** means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2004-1: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the County or any designee thereof or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs to the County, CFD No. 2004-1 or any designee thereof of complying with County, CFD No. 2004-1 or obligated persons disclosure requirements associated with the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the County, CFD No. 2004-1 or any designee thereof related to an appeal of the Special Tax; and the County's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the County or CFD No. 2004-1 for any other administrative purposes of CFD No. 2004-1, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

**"Assessor's Parcel"** means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel number. "Assessor's Parcel" also includes all Legal Lots which have been created under the Subdivision Map Act but for which an Assessor's Parcel number has not yet been assigned.

**"Assessor's Parcel Map"** means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

**"Board"** means the Board of Supervisors of the County, acting as the legislative body of CFD No. 2004-1.

**"CFD Administrator"** means an official of the County, or any designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

**"CFD No. 2004-1"** means County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing).

**"County"** means the County of Santa Barbara.

**"Homeowner Property"** means, for each Fiscal Year, all residentially zoned Assessor's Parcels not including Public Property and Property Owner Association Property which has been sold and transferred title to a homeowner as of May 1 of the Fiscal Year preceding the Fiscal Year for which Special Taxes are being levied.

**"Final Map"** means a subdivision of property creating buildable single family residential lots by recordation of a final map or a lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq., as such section may be amended or replaced), or recordation of a condominium plan pursuant to California Civil Code Section 1352, as such section may be amended or replaced, that creates individual lots for which land use permits may be issued without further subdivision.

**"Fiscal Year"** means the period starting July 1 and ending on the following June 30.

**"Legal Lot"** means each legal parcel of land shown on a tentative or parcel map, a recorded subdivision map, or as evidenced by a certificate of compliance.

**"Los Angeles Urban Consumer Price Index"** means, for each Fiscal Year, the Consumer Price Index published by the U.S. Bureau of Labor Statistics for All Urban Consumers in the Los Angeles - Anaheim - Riverside Area, measured as of the month of December in the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the Consumer Price Index for the City of Los Angeles.

**"Maximum Special Tax"** means, for each Fiscal Year, the maximum Special Tax, determined in accordance with Section C below, that can be levied in such Fiscal Year on any Assessor's Parcel.

**"Property Owner Association Property"** means, for each Fiscal Year, any Assessor's Parcel within the boundaries of CFD No. 2004-1 that is owned by or irrevocably offered for dedication to a property owner association, including any master or sub-association.

**"Proportionately"** means that the ratio of the actual annual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Residential Property.

**"Public Property"** means, for each Fiscal Year, (i) any property within the boundaries of CFD No. 2004-1 that is owned by or irrevocably offered for dedication to the federal government, the State, the County or any other public agency; provided however that any

property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act, as such section may be amended or replaced, shall be taxed and classified in accordance with its use; or (ii) any property within the boundaries of CFD No. 2004-1 that is encumbered by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

**"Reserves"** shall mean an amount not to exceed \$347,100 in fiscal year 2005-2006. On each July 1, commencing on July 1, 2006, the amount will be increased annually by the greater of the change in the Los Angeles Urban Consumer Price Index during the twelve months prior to December of the previous Fiscal Year, or two percent (2%).

**"Residential Property"** means, for each Fiscal Year after the opening and conveyance of the Providence Landing Park to the County, all residentially zoned Assessor's Parcels not including Homeowner Property, Public Property and Property Owner Association Property.

**"Services"** means services for operation and maintenance of parks. CFD No. 2004-1 shall finance Services only to the extent that they are in addition to those provided in the territory of CFD No. 2004-1 before the CFD was created and such Services may not supplant services already available within CFD No. 2004-1 when the CFD was created. Additionally Services may include reserves for park maintenance.

**"Special Tax"** means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Residential Property to fund the Special Tax Requirement.

**"Special Tax Requirement"** means that amount to be collected in any Fiscal Year for CFD No. 2004-1 to pay for certain costs as required to meet the needs of the CFD in that Fiscal Year. The costs to be covered shall be the direct costs for (i) Services, (ii) Reserves, and (iii) Administrative Expenses; less (iv) a credit for funds available to reduce the annual Special Tax levy, if any, as determined by the CFD Administrator. Under no circumstances shall the Special Tax Requirement include debt service payments for debt financings by CFD No. 2004-1.

**"State"** means the State of California.

## **B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Assessors Parcels as within CFD No. 2004-1 shall be classified as Homeowner Property, Residential Property, Property Owner Association Property, or Public Property. However, only Homeowner Property and Residential Property shall be subject to annual Special Taxes in accordance with the rate and method of apportionment determined pursuant to Sections C and D below.

## **C. MAXIMUM SPECIAL TAX RATE**

### **1. Maximum Special Tax**

The Maximum Special Tax for Fiscal Year 2005-06 for each Assessors Parcel of Homeowner Property and Residential Property is \$1,300 per Assessor's Parcel.



**2. Increase in the Maximum Special Tax**

On each July 1, commencing on July 1, 2006, the Maximum Special Tax set forth above will be increased annually by the greater of the change in the Los Angeles Urban Consumer Price Index during the twelve months prior to December of the previous Fiscal Year, or two percent (2%).

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2005-06 and for each following Fiscal Year, the Board shall determine the Special Tax Requirement and shall levy the annual Special Tax Proportionately for each Assessor's Parcel As follows:

First: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Homeowner Property at up to 100% of the applicable Maximum Annual Special Tax to satisfy the Special Tax Requirement;

Second: If the sum of the amounts collected in step one is insufficient to satisfy the Special Tax Requirement, then the Board shall Proportionately levy an annual Special Tax on each Assessor's Parcel of Residential Property in an amount up to the Maximum Special Tax applicable to each such Assessor's Parcel to satisfy the Special Tax Requirement.

**E. EXEMPTIONS**

No Special Tax shall be levied on Public Property or Property Owner Association Property. However, should an Assessor's Parcel no longer be classified as Public Property or Property Owner Association Property, such Assessor's Parcel shall, upon each reclassification, no longer be exempt from Special Taxes.

**F. APPEALS AND INTERPRETATIONS**

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Board by filing a written notice of appeal with the County Clerk, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for the appellant's disagreement with the CFD Administrator's determination. The CFD Administrator may charge the appellant a reasonable fee for processing the appeal.

Interpretations may be made by the Board by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.

**G. MANNER OF COLLECTION**

The annual Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 2004-1 may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations.

**H. TERM OF SPECIAL TAX**

The Special Tax shall be levied in perpetuity as necessary to meet the Special Tax Requirement.

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

**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. 2004-1  
(PROVIDENCE LANDING)**

**WHEREAS**, on this date, 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 of Formation of the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing), Authorizing the Levy of a Special Tax within the District and Establishing an Appropriations Limit for the District” (the “Resolution of Formation”), establishing the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) (the “Community Facilities District”), authorizing the levy of a special tax within the Community Facilities District and establishing an appropriations limit for the Community Facilities District; and

**WHEREAS**, pursuant to the provisions of said resolution, the propositions to levy a special tax within the Community Facilities District and to establish an appropriations limit for the Community Facilities District are to be submitted to the qualified electors of the Community Facilities District as required by the Mello-Roos Community Facilities Act of 1982 (the “Act”);

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

**Section 1.** Pursuant to Sections 53326 and 53325.7 of the Act, the propositions to levy a special tax within the Community Facilities District and to establish an appropriations limit for the Community Facilities District shall be submitted to the qualified electors of the Community Facilities District at an election called therefore as provided below.

**Section 2.** As authorized by Section 53353.5 of the Act, the propositions to levy a special tax within the Community Facilities District and to establish an appropriations limit for the Community Facilities District shall be combined into one ballot proposition.

**Section 3.** The Board of Supervisors hereby finds that fewer than 12 persons have been registered to vote within the territory of the Community Facilities District for each of the 90 days preceding the close of the public hearings heretofore held by the Board of Supervisors for the purposes of these proceedings. Accordingly, pursuant to Section 53326 of the Act, the vote shall be by the landowners of the Community Facilities District and each landowner who is the owner of record as of the close of such public hearings, or the authorized representative thereof, shall have one vote for each acre or portion of an acre that he or she owns within the Community Facilities District.

**Section 4.** The Board of Supervisors hereby calls a special election to submit to the qualified electors of the Community Facilities District the combined proposition to levy a special

tax within the Community Facilities District and to establish an appropriations limit for the Community Facilities District, which election shall be held at 511 East Lakeside Parkway, Santa Maria, California, on January 11, 2005. The Registrar of Voters of the County Clerk Recorder Assessor or an authorized deputy thereof (the "Registrar of Voters") is hereby designated as the official to conduct said election. The Board of Supervisors has caused to be provided to the Registrar of Voters the Resolution of Formation, a certified map of sufficient scale and clarity to show the boundaries of the Community Facilities District, and a sufficient description to allow the Registrar of Voters to determine the boundaries of the Community Facilities District.

The voted ballots shall be returned to the Registrar of Voters not later than 12:00 p.m. on January 11, 2005; provided, however, that if all of the qualified electors have voted prior to such time, the election may be closed with the concurrence of the Registrar of Voters.

**Section 5.** Pursuant to Section 53327 of the Act, the election shall be conducted by mail or hand-delivered ballot pursuant to Section 4000 of the California Elections Code. The Board of Supervisors hereby finds that paragraphs (a), (b), (c) (1) and (c)(3) of said Section 4000 are applicable to this special election.

**Section 6.** The form of the ballot for said election is attached hereto as Exhibit A and by this reference incorporated herein, and such form of ballot is hereby approved. The Registrar of Voters shall cause to be delivered to each of the qualified electors of the Community Facilities District a ballot in said form. Each ballot shall indicate the number of votes to be voted by the respective landowner to which it pertains.

Each ballot shall be accompanied by all supplies and written instructions necessary for the use and return of the ballot. The identification envelope for return of the ballot shall be enclosed with the ballot, shall have the return postage prepaid, and shall contain: (a) the name and address of the landowner, (b) a declaration, under penalty of perjury, stating that the voter is the owner of record or the authorized representative of the landowner entitled to vote and is the person whose name appears on the identification envelope, (c) the printed name, signature and address of the voter, (d) the date of signing and place of execution of the declaration described in clause (b) above, and (e) a notice that the envelope contains an official ballot and is to be opened only by the canvassing board.

Analysis and arguments with respect to the ballot proposition are hereby waived, as provided in Section 53327 of the Act.

**Section 7.** The Registrar of Voters shall accept the ballots of the qualified electors in the Election Office of the Registrar of Voters at 511 East Lakeside Parkway, Suite 134 Santa Maria, California, up to and including 12:00 p.m. on January 11, 2005, whether said ballots be personally delivered or received by mail. The Registrar of Voters shall have available ballots which may be marked at said location on the election day by said qualified electors.

**Section 8.** The Board of Supervisors hereby finds that the provision of Section 53326 of the Act requiring the special election to be held at least 90 days following the adoption of the Resolution of Formation is for the protection of the qualified electors of the Community Facilities District. There are on file with the Registrar of Voters written requests and waivers

executed by all of the qualified electors of the Community Facilities District consenting to a shortening of the time for said special election to expedite the process of formation of the Community Facilities District and waiving any requirement for analysis and arguments in connection with the election. Accordingly, the Board of Supervisors finds and determines that said qualified electors have been fully apprised of and have consented to the shortened time for the election and waiver of analysis and arguments, and have thereby been fully protected in these proceedings. The Board of Supervisors also finds and determines that the Registrar of Voters has concurred in the shortened time for the election.

**Section 9.** 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 \_\_\_\_\_, 2005, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Joe Centeno  
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**

**OFFICIAL BALLOT**  
**COUNTY OF SANTA BARBARA**  
**January 11, 2005**

**SPECIAL ELECTION**

This ballot is for a special, landowner election. You must return this ballot in the enclosed postage paid envelope to the Santa Maria Election Office of the Registrar of Voters of the County of Santa Barbara no later than 12:00 a.m. on January 11, 2005, either by mail or in person. The Election Office of the Registrar of Voters is located at 511 East Lakeside Parkway, Suite 134, Santa Maria, California 93455.

**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. 2004-1**  
**(PROVIDENCE LANDING)**

**MEASURE SUBMITTED TO VOTE OF VOTERS:**

Shall the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) (the "Community Facilities District") be authorized to levy a special tax in order to finance certain services and shall the annual appropriations limit of the Community Facilities District be established in the amount of \$2,000,000 all as specified in the Resolution entitled "A Resolution of the Board of Supervisors of the County of Santa Barbara of Formation of the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing), Authorizing the Levy of a Special Tax within the District and Establishing an Appropriations Limit for the District," adopted by the Board of Supervisors of the County of Santa Barbara on January 11, 2005.

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:

---

Landowner

Document comparison done by DeltaView on Thursday, September 12, 2002 10:40:41

Input:	
Document 1	PowerDocs://DOCSLA1/410992/3
Document 2	PowerDocs://DOCSLA1/410992/4
Rendering set	OHS Carats For Deletions No Moves No DV Footer

Legend:	
<a href="#">Insertion</a>	
<del>Deletion</del>	
<del>Moved from</del>	
<a href="#">Moved to</a>	
Format change	
<del>Moved deletion</del>	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	13
Deletions	13
Moved from	0
Moved to	0
Format changed	0
Total changes	26

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**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 January 11, 2005, 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. 2004-1 (Providence Landing)” (the “Resolution Calling Election”), calling for a special election of the qualified electors within the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) (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 January 11, 2005; 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 11th day of January, 2005, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Joseph Centeno  
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**

**CANVASS AND STATEMENT OF RESULTS OF ELECTION**

**EXHIBIT A**

**COUNTY OF SANTA BARBARA  
COMMUNITY FACILITIES DISTRICT NO. 2004-1  
(PROVIDENCE LANDING)**

**CANVASS AND STATEMENT OF RESULTS OF ELECTION**

I hereby certify that on January 11, 2005, I canvassed the returns of the special landowner election held on January 11, 2005, for the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing), 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:

	<u>Qualified Landowner Votes</u>	<u>Votes Cast</u>	<u>YES</u>	<u>NO</u>
County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) Special Election, January 11, 2005	131			

MEASURE SUBMITTED TO VOTE OF VOTERS: Shall the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) (the "Community Facilities District") be authorized to levy a special tax in order to finance certain services and shall the annual appropriations limit of the Community Facilities District be established in the amount of \$2,000,000, all as specified in the Resolution entitled "A Resolution of the Board of Supervisors of the County of Santa Barbara of Formation of the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing), Authorizing the Levy of a Special Tax within the District and Establishing an Appropriations Limit for the District," adopted by the Board of Supervisors of the County of Santa Barbara on January 11, 2005?

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND this 11th day of January, 2005.

Joseph E. Holland  
County of Santa Barbara  
Registrar of Voters

By

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



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

**AN ORDINANCE OF THE COUNTY OF SANTA BARBARA  
LEVYING SPECIAL TAXES WITHIN THE COUNTY OF  
SANTA BARBARA COMMUNITY FACILITIES DISTRICT  
NO. 2004-1 (PROVIDENCE LANDING)**

**WHEREAS**, on August 10, 2004, 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 of Intention to Establish a Community Facilities District and to Authorize the Levy of Special Taxes” stating its intention to establish the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) (the “Community Facilities District”), pursuant to the Mello-Roos Community Facilities Act of 1982 (the “Act”), and to finance certain services (the “Services”);

**WHEREAS**, the Board of Supervisors has held a noticed public hearing on the establishment of the Community Facilities District, as required by the Act;

**WHEREAS**, subsequent to the hearing, the Board of Supervisors adopted resolutions entitled “A Resolution of the Board of Supervisors of the County of Santa Barbara of Formation of the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing), Authorizing the Levy of a Special Tax within the District and Establishing an Appropriations Limit for the District” (the “Resolution of Formation”) and “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. 2004-1 (Providence Landing),” which resolutions established the Community Facilities District, authorized the levy of a special tax within the Community Facilities District and called an election within the Community Facilities District on the propositions of levying a special tax within the Community Facilities District and establishing an appropriations limit for the Community Facilities District, respectively; and

**WHEREAS**, an election was held in which the qualified electors of the Community Facilities District approved said propositions by more than the two-thirds vote required by the Act;

**THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA BARBARA,  
STATE OF CALIFORNIA, ORDAINS AS FOLLOWS:**

**Section 1.** By the passage of this Ordinance, the Board of Supervisors hereby authorizes and levies special taxes within the Community Facilities District pursuant to Sections 53328 and 53340 of the Act, at the rate and in accordance with the method of apportionment set forth in Exhibit A to the Resolution of Formation (the “Rate and Method of Apportionment”). The special taxes are hereby levied commencing in fiscal year 2005-06 and in each fiscal year thereafter until canceled in accordance with law.

**Section 2.** The County Administrator of the County (the “County Administrator”) is hereby authorized and directed each fiscal year to determine the specific special tax rate and amount to be levied for the next ensuing fiscal year for each parcel of real property within the Community Facilities District, in the manner and as provided in the Rate and Method of Apportionment.

**Section 3.** Properties or entities of the State, federal or local governments shall be exempt from any levy of the special taxes, to the extent set forth in the Rate and Method of Apportionment. In no event shall the special taxes be levied on any parcel within the Community Facilities District in excess of the maximum tax specified in the Rate and Method of Apportionment.

**Section 4.** All of the collections of the special tax shall be used as provided for in the Act, the Rate and Method of Apportionment and the Resolution of Formation including, but not limited to, the payment of the costs of providing the Services, the payment of the costs of administering the Community Facilities District and the costs of collecting and administering the special tax.

**Section 5.** The special taxes shall be collected from time to time as necessary to meet the financial obligations of the Community Facilities District on the secured real property tax roll in the same manner as ordinary *ad valorem* taxes are collected. The special taxes shall have the same lien priority, and be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for *ad valorem* taxes. The County Administrator is hereby authorized and directed to take all actions necessary in order to effect proper billing and collection of the special tax, so that the special tax shall be levied and collected in sufficient amounts and at the times necessary to satisfy the financial obligations of the Community Facilities District in each fiscal year.

Notwithstanding the foregoing, the County Administrator may collect one or more installments of the special taxes by means of direct billing by the Community Facilities District of the property owners within the Community Facilities District if, in the judgment of the County Administrator, such means of collection will reduce the burden of administering the Community Facilities District or is otherwise appropriate in the circumstances. In such event, the special taxes shall become delinquent if not paid when due as set forth in any such respective billing to the property owners.

**Section 6.** If for any reason any portion of this Ordinance is found to be invalid, or if the special tax is found inapplicable to any particular parcel within the Community Facilities District, by a court of competent jurisdiction, the balance of this Ordinance and the application of the special tax to the remaining parcels within the Community Facilities District shall not be affected.

**Section 7.** This Ordinance shall take effect and shall be in force 30 days after the date of its adoption and prior to the expiration of 15 days from the passage thereof shall be published at least once in the *Santa Barbara News Press*, a newspaper of general circulation, printed and published in the County of Santa Barbara, State of California, together with the names of the Board of Supervisors members voting for and against the same.

**PASSED, ADOPTED and APPROVED** by the Board of Supervisors of the County of Santa Barbara this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Joseph Centeno  
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



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**FIRST AMENDMENT TO THE  
AGREEMENT TO MAINTAIN  
A PUBLIC PARK**

This FIRST AMENDMENT TO AGREEMENT TO MAINTAIN A PUBLIC PARK (“Amendment”) is made as of January 11, 2005 by and among CPH LOMPOC, LLC, a Delaware limited liability company (“Developer”), THE CHANNEL ISLANDS YMCA, a non-profit organization (“YMCA”), and the COUNTY OF SANTA BARBARA (“County”), based upon the following facts:

R E C I T A L S

A. Developer, YMCA and County are parties to that certain Agreement to Maintain a Public Park dated July 7, 2004 (the “Agreement”) in connection with the development of a residential development located in the southern portion of Vandenberg Village, County of Santa Barbara, California referred to as the Providence Landing Development and a 12 acre park site to be created by Developer for park, open space and recreational purposes (the “Park”).

B. Developer, YMCA and the County desire to modify the Agreement as set forth in this Amendment.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Amendment, the parties agree as follows (all capitalized terms not otherwise defined in this Amendment shall have the same meanings that they have in the Agreement):

1. Obligation to Maintain and Operate the Park. Paragraph 1 of the Agreement is deleted in its entirety and the following shall be inserted in lieu thereof:

“Upon Facility Acceptance, County shall have overall responsibility for the maintenance and operation of the Park. For a period of three (3) years from the date the Park is accepted by the County (the “Developer’s Term”), Developer shall contribute towards the cost of the maintenance of the Park (the “Developer’s Maintenance Contribution”). During Developer’s Term, Developer shall pay to County Developer’s Maintenance Contribution twice a year, on March 1 and November 1. The Developer’s Maintenance Contribution shall be calculated as of December 31st and June 30th of each year during the Developer’s Term by multiplying the number of residential lots which were approved under TM 14,487 and which the CFD tax is not yet being assessed against by an amount not to exceed \$1,300, or such other amount which is approved by the County. If, however, Developer pays the Developer’s Maintenance Contribution on a residential lot which is later assessed by County and if County collects the CFD tax for that lot for the same time period, or portion thereof, for which it collected a portion of Developer’s Maintenance Contribution, then County shall reimburse Developer for the amount of any resulting overpayment. The parties acknowledge that the CFD tax is not assessed until the first home within the assessment district to which the CFD tax will be assessed is sold.

In addition to the Developer’s Maintenance Contribution, Developer agrees to make a one-time payment to the County (the "Developer's Reserve Payment") no less than thirty (30) days prior to the date the Park is accepted by the County (the "Opening Date"). The Developer's Reserve Payment shall be calculated by subtracting from \$347,100 the amount which has been assessed for the CFD tax as of the date which is forty-five (45) days prior to the Opening Date. County shall notify the Developer of the amount of the Developer's Reserve Payment at least forty-four (44) days prior to the Opening Date. The purpose of the Developer's Reserve Payment

is to ensure that as of the Opening Date County has a reserve of \$347,100 equal to one year of maintenance expenses if County has not received the reserve amount through the CFD assessments.

After the expiration of the Developer’s Term, Developer shall have no further rights or obligations under this Agreement.”

2. No Other Amendments. Except as amended by the provisions of this Amendment, the Purchase Agreement continues unmodified and in full force and effect.

3. Attorneys' Fees. In the event of any action, proceeding or arbitration instituted by or between the parties in connection with this Amendment, then as between Seller and Buyer the prevailing party shall be entitled to recover from the nonprevailing party all of its costs and expenses, including, without limitation, court costs, costs of appeals, attorneys' fees and disbursements actually and reasonably incurred.

4. Counterparts/Facsimile. This Amendment may be executed in one or more counterparts and by facsimile signature, each of which counterpart/facsimile shall be deemed an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amendment effective as of the date first written above.

THE CHANNEL ISLANDS YMCA,  
a non-profit organization

By: \_\_\_\_\_  
John Ciambrone  
President and CEO

CPH LOMPOC, LLC, a Delaware  
limited liability company

By: Capital Pacific Holdings, Inc.,  
a Delaware corporation  
Its: Managing Member

By: Capital Pacific Homes, Inc.,  
a Delaware corporation  
Its: Authorized Agent

By: \_\_\_\_\_  
Gavin Moores  
President

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SANTA BARBARA COUNTY  
BOARD OF SUPERVISORS

By: \_\_\_\_\_  
Joseph Centeno, Chair  
Board of Supervisors

ATTEST:

APPROVED:

\_\_\_\_\_  
Michael F. Brown  
Clerk of the Board

\_\_\_\_\_  
Terri Maus Nisich  
Director, Santa Barbara  
County Parks Department

SANTA BARBARA COUNTY  
COUNTY COUNSEL  
Stephen Shane Stark

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

Name: \_\_\_\_\_

SANTA BARBARA COUNTY  
RISK MANAGEMENT

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

Name: \_\_\_\_\_

SANTA BARBARA COUNTY  
AUDITOR-CONTROLLER

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

Name: \_\_\_\_\_

PROVIDENCE LANDING HOMEOWNERS  
ASSOCIATION

By: CPH Lompoc, LLC, a Delaware limited  
liability company, Declaring

By: Capital Pacific Holdings, Inc.,  
a Delaware corporation, its Managing Member

By: Capital Pacific Homes, Inc.,  
a Delaware corporation, its Authorized Agent

By: \_\_\_\_\_  
Gavin Moores, President

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

State of California            )  
  )  
County of \_\_\_\_\_)

On \_\_\_\_\_, before me, \_\_\_\_\_,  
personally appeared \_\_\_\_\_,  
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s)  
whose name(s) is/are subscribed to the within instrument, and acknowledged to me that  
he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their  
signature on the instrument the person, or the entity upon behalf of which the person(s) acted,  
executed the instrument.

WITNESS my hand and official seal.  
Signature \_\_\_\_\_

(Seal)

State of California            )  
  )  
County of \_\_\_\_\_)

On \_\_\_\_\_, before me, \_\_\_\_\_,  
personally appeared \_\_\_\_\_,  
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s)  
whose name(s) is/are subscribed to the within instrument, and acknowledged to me that  
he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their  
signature on the instrument the person, or the entity upon behalf of which the person(s) acted,  
executed the instrument.

WITNESS my hand and official seal.  
Signature \_\_\_\_\_

(Seal)

State of California            )  
  )  
County of \_\_\_\_\_)

On \_\_\_\_\_, before me, \_\_\_\_\_,  
personally appeared \_\_\_\_\_,  
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s)  
whose name(s) is/are subscribed to the within instrument, and acknowledged to me that  
he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their  
signature on the instrument the person, or the entity upon behalf of which the person(s) acted,  
executed the instrument.

WITNESS my hand and official seal.  
Signature \_\_\_\_\_

(Seal)

State of California            )  
  )  
County of \_\_\_\_\_)

On \_\_\_\_\_, before me, \_\_\_\_\_,  
personally appeared \_\_\_\_\_,  
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s)  
whose name(s) is/are subscribed to the within instrument, and acknowledged to me that  
he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their  
signature on the instrument the person, or the entity upon behalf of which the person(s) acted,  
executed the instrument.

WITNESS my hand and official seal.  
Signature \_\_\_\_\_

(Seal)

State of California            )  
  )  
County of \_\_\_\_\_)

On \_\_\_\_\_, before me, \_\_\_\_\_,  
personally appeared \_\_\_\_\_,  
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s)  
whose name(s) is/are subscribed to the within instrument, and acknowledged to me that  
he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their  
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Signature \_\_\_\_\_

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