



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

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

**Department Name:** Community Services  
**Department No.:** 057  
**For Agenda Of:** June 17, 2014  
**Placement:** Set Hearing for  
July 8, 2014  
**Estimated Time:** 20 minutes  
**Continued Item:** No  
**If Yes, date from:** N/A  
**Vote Required:** Majority

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**TO:** Board of Supervisors  
**FROM:** Department Renee E. Bahl, Interim Community Services Director (805) 568-2467  
Director:  
Contact Info: Kerry Bierman, Chief Financial Officer (805) 568-3408  
**SUBJECT:** Fiscal Year 2014-15 Orcutt and Providence Landing Community Facilities  
Districts Special Tax Levy; Third and Fourth Supervisorial Districts.

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors, on June 17, 2014, set a hearing on July 8, 2014 to consider the Fiscal Year 2014-2015 Special Tax Levy for the County of Santa Barbara Community Facilities District No. 2002-1 (Orcutt Community Plan) and for the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing).

On July 8, 2014, your Board's actions should include the following:

- a) Receive the Administration Reports summarizing the Proposed Fiscal Year 2014-2015 Special Tax Levy for the County of Santa Barbara Community Facilities District No. 2002-1 (Orcutt Community Plan) (Attachment 1) and for the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) (Attachment 2);
- b) Adopt a Resolution Levying Special Taxes within the County of Santa Barbara Community Facilities District No. 2002-1 (Orcutt Community Plan) (Attachment 3);
- c) Adopt a Resolution Levying Special Taxes within the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) (Attachment 4);
- d) Certify the list of all parcels within the County of Santa Barbara Community Facilities District No. 2002-1 (Orcutt Community Plan) subject to the special tax levy including the amount of the tax to

be levied on each parcel for Fiscal Year 2014-2015 and direct the Clerk of the Board or other designated official to file with the County Auditor the certified list (Attachment 5);

- e) Certify the list of all parcels within the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) subject to the special tax levy including the amount of the tax to be levied on each parcel for Fiscal Year 2014-2015 and direct the Clerk of the Board or other designated official to file with the County Auditor the certified list (Attachment 6); and
- f) Determine that the levying of the Fiscal Year 2014-2015 Orcutt and Providence Landing Community Facilities Districts Special Taxes are not the approvals of a project subject to environmental review under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines section 15378(b)(4), finding that the project is a creation of a governmental funding mechanism or other government fiscal activity, and which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment and direct staff to file the attached draft Notice of Exemption (Attachment 7).

**Summary Text:**

There are two community facilities districts located within the County: (1) Orcutt Community Facilities District (OCFD) and (2) Providence Landing Facilities District (PLCFD). A community facilities district is a legally constituted governmental entity established under the Mello-Roos Community Facilities Act of 1982, (California Government Code sections 53311 et seq.) as amended, for financing capital facilities and services.

The Orcutt Community Facilities District No. 2002-1 (OCFD) was approved by the Board of Supervisors on October 8, 2002 for the purpose of levying a special tax on residential and commercial properties in the Orcutt Planning Area located immediately south of the City of Santa Maria. Specifically, the special tax is used to offset operational and maintenance service costs associated with the buildout of the Orcutt Community Plan. The special tax funds four areas of community services: (1) police/sheriff protection services, (2) fire protection and suppression services, (3) maintenance of parks, parkways and open space, and (4) flood and storm protection services. The special tax is levied on three categories of property: (1) developed property, (2) graded property, and (3) undeveloped property. Developed property is further delineated as (a) single family, (b) multi-family, (c) non-retail/commercial/industrial, and (d) retail commercial property.

The Providence Landing Community Facilities District No. 2004-1(PLCFD) was formed on January 11, 2005 within the Providence Landing residential development located along the southern portion of Vandenberg Village and north of and adjacent to the Lompoc city limits for the express purpose of funding the maintenance of a park. Specifically, the PLCFD is authorized to levy an annual special tax to finance public park maintenance and operation. The special tax is levied on two types of property: (1) Homeowner Property and (2) Residential Property.

Pursuant to California Government Code section 53340, subdivision (b), each year on or before August 10, the Board must determine the amount of the special tax to be levied on each parcel in the community facilities district for the applicable tax year, and adopt a resolution levying the amounts of the special tax. In addition, the Clerk of the Board must file with the County Auditor, a certified list of all parcels

subject to the special tax levy including the amount of the tax to be levied on each parcel for the applicable tax year. (Cal. Govt. Code, § 53340, subd. (b).)

### **Background:**

**Orcutt Community Facilities District:** The OCFD is authorized to levy an annual special tax to finance the following: (1) police/sheriff protection services, (2) fire protection and suppression services, (3) maintenance of parks, parkways and open space, (4) flood and storm protection services, and (5) administration. Specifically, the special tax is used to offset operational and maintenance service costs associated with the buildout of the Orcutt Community Plan. Services paid for through the OCFD are provided to the community based upon established service ratio standards that vary by the type of service. The OCFD provides funding for maintenance of parks and open space, as well as flood and storm protection services via regional basins. For Fiscal Year 2014-15, the Community Services Department, Parks Division, recommended a budget of \$93,500 from the Parks general fund operating budget for continued maintenance of the Orcutt Community Park. This funding allocation is in addition to the special taxes levied and collected.

The Fiscal Year 2014-15 special tax requirement for the Orcutt Community Facilities District was calculated by the independent firm of David Taussig & Associates, Inc. The methodology used to calculate and apportion the special tax is based on the Rate and Method of Apportionment specified in Exhibit A to Resolution 02-353 (Attachment 8), which specifies the maximum special taxes to be levied within the community facility district. Resolution 02-353 (Attachment 8), which created OCFD No. 2002-1 and authorized the levy of the special tax, directs that the special tax rate be increased annually by the greater of either the change in the Los Angeles Urban Consumer Price Index (CPI) during the twelve months prior to December of the previous fiscal year, or two percent (2%). For Fiscal Year 2014-2015, the increase in the Los Angeles Urban CPI was 1.14%. Accordingly, a 2.0% increase to the special tax rate is proposed for Fiscal Year 2014-15 as illustrated in the table below and within the attached Administration Report Fiscal Year 2014-15, County of Santa Barbara CFD No. 2002-1:

<b>Parcel Type</b>	<b>FY 2013-2014 Actual Special Tax</b>	<b>FY 2014-2015 Recommended Special Tax</b>	<b>Amount of Increase</b>
<b><i>Developed Property</i></b>			
Single Family	\$593.00 per unit	\$604.86 per unit	\$11.86
Multi-Family	\$403.24 per unit	\$411.30 per unit	\$8.06
Non-Retail Commercial/Industrial	\$0.57522/sq.ft.	\$0.58672/sq.ft.	\$0.012
Retail Commercial	\$0.40918/sq.ft	\$0.41737/sq.ft	\$0.008
<b><i>Graded Property</i></b>	\$50 per lot	\$50 per lot	\$0
<b><i>Undeveloped Property</i></b>	\$0 per lot	\$0 per lot	\$0

**Providence Landing Community Facilities District:** On July 9, 2002, the Board of Supervisors approved the Providence Landing Residential Project. One of the conditions of approval stated the applicant was responsible for initiating the formation of a Community Facilities District (CFD). The Providence Landing CFD would assess all of the new single family detached homes located within the Providence

Landing subdivision project for the cost of maintaining and operating a community park. 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. On August 10, 2004, the Board adopted Resolution 04-225 commencing the process of creating the Providence Landing Community Facilities District. On January 11, 2005, the Board adopted Resolution No. 05-007 (Attachment 9) forming the County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing) within the proposed Providence Landing residential development and authorizing the levy of the special tax within the CFD. On January 18, 2005, the Board adopted Ordinance No. 4562 (Attachment 10) authorizing the levying of special taxes within the Providence Landing Community Facilities District.

On August 25, 2009, the Board accepted the conveyance of the park to the County. The Home Owner Association for Providence Landing assumed maintenance and operations of the park in December 2009.

The Fiscal Year 2014-15 special tax requirement for the Providence Landing Community Facilities District was calculated by the independent firm of David Taussig & Associates, Inc. The methodology used to calculate and apportion the special tax is based on the Rate and Method of Apportionment specified in Exhibit A to Resolution 05-007 (Attachment 9). The Rate and Method of Apportionment specifies the maximum special taxes to be levied within the community facility district based on the expenses of providing services within the district, which for Providence Landing CFD is the cost of maintaining and operating the park. For Fiscal Year 2014-2015, the increase in the Los Angeles Urban CPI was 1.14%. However, no increase to the special tax rate is proposed for Fiscal Year 2014-15 as illustrated in the table below:

<b>Parcel Type</b>	<b>FY 2013-2014 Actual Special Tax</b>	<b>FY 2014-2015 Recommended Special Tax</b>
<i>Developed Property</i>		
Homeowner Property	\$672.00 per lot	\$672.00 per lot
Residential Property	\$0 per lot	\$0 per lot

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

Orcutt CFD: If the proposed special tax levy is adopted, 548 parcels will be levied, generating approximately \$300,510 for the costs of fire protection and suppression services; police/sheriff protection services; maintenance of parks, parkways and open space; flood and storm protection services and CFD administrative expenses(see Table 3 below). This is an increase of \$48,160 from Fiscal Year 2013-2014. It should be noted that the current funding model does not fully cover the costs of maintaining of parks and open spaces, and further evaluation of funding and funding ratios will need to be explored.

Table 3. Special tax funds estimated to be allocated as follows:

	Estimated	%
<b><i>Tax Value</i></b>	<b>300,510</b>	
Other Administrative costs	11,716	4%
Orcutt CFD Parks	42,144	14%
Orcutt CFD Flood Control	15,008	5%
Orcutt CFD Fire	134,013	45%
Orcutt CFD Sheriff	97,629	32%
<b>Total</b>	<b>300,510</b>	<b>100%</b>

Providence Landing CFD: If the proposed special tax levy is adopted, 266 parcels will be levied, generating approximately \$178,752 for park operations and maintenance. This per parcel levy has remained consistent at \$672 per parcel since Fiscal Year 2006-2007.

**Special Instructions:**

After July 8, 2014 Hearing Date:

Please send a copy of the minute order and signed Resolutions in attention to: Jessica Rauch, Community Services.

**Attachments:**

- Attachment 1 – Administration Report Fiscal Year 2014-15, County of Santa Barbara CFD No. 2002-1
- Attachment 2 – Administration Report Fiscal Year 2014-15, County of Santa Barbara CFD No. 2004-1
- Attachment 3 – Resolution Levying Special Taxes within the County of Santa Barbara Community Facilities District (CFD) 2002-1
- Attachment 4 – Resolution Levying Special Taxes within the County of Santa Barbara Community Facilities District (CFD) 2004-1
- Attachment 5 – Certified List for County of Santa Barbara Community Facilities District No. 2002-1 (Orcutt Community Plan)
- Attachment 6 – Certified List for County of Santa Barbara Community Facilities District No. 2004-1 (Providence Landing)
- Attachment 7 – CEQA Notice of Exemption
- Attachment 8 – Resolution No. 02-353
- Attachment 9 – Resolution No. 05-007
- Attachment 10 – Ordinance No. 4562