



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: Fire
Department No.: 031
For Agenda Of: 4/12/11
Placement: Departmental
Estimated Tme: 30 minutes
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Directors, Santa Barbara County Fire Protection District
FROM: Department Michael W. Dyer, Fire Chief
Director(s)
Contact Info: Michael W. Dyer, Fire Chief, 805.681.5507
SUBJECT: Initiation of Annexation of Territory into the Santa Barbara County Fire Protection District

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

- (A) Acting as the Board of Directors, adopt a resolution of application initiating an annexation of territory into the Santa Barbara County Fire Protection District.
- (B) Acting as the Board of Directors, authorize the Fire Chief of the Santa Barbara County Fire Protection District to submit an annexation proposal to the Santa Barbara Local Agency Formation Commission.
- (C) Acting as the Board of Directors, determine the annexation is categorically exempt from the California Environmental Quality Act (CEQA), per Section 15378(b)(4),(5) of the CEQA Guidelines.

Summary Text:

Currently there are approximately 1,925 parcels located within the County that are not paying a portion of their property taxes to either a city that provides fire protection or a fire district to support fire services. The majority of these parcels are located within the Los Padres National Forest. The item for consideration by the Board of Supervisors, acting as the Board of Directors (“Directors”), would initiate the process to annex territory into the Santa Barbara County Fire Protection District (“District”). If such an annexation is approved by the Local Agency Formation Commission (LAFCO), a portion of the property taxes generated by the parcels contained within the territory would be allocated to the District. The parcels would not pay additional taxes; rather, a portion of the existing property taxes allocated to the County General Fund would be reallocated to the District. The portion of the property taxes allocated to the schools would not be affected by such an annexation.

Background:

In order to initiate the annexation process, the Directors must adopt a resolution initiating the proceedings to annex territories into the District and submit this resolution to LAFCO (Attachment 1). In addition to the resolution, the Fire Chief, upon authorization by the Directors, will submit a completed application to LAFCO. Once the application is submitted to LAFCO, the County will receive notification of the filing of the application

and have 90 days to adopt a resolution providing for a negotiated exchange of property tax revenues per Section 99 of the Revenue and Taxation Code. A resolution of negotiated tax exchange would propose to reallocate a portion of the property taxes generated by these parcels from the County General Fund to the District and be brought forward to the Board of Supervisors for adoption. The resolution of negotiated tax exchange must be adopted by the Board of Supervisors before the proposed annexation is forwarded to LAFCO for consideration. The annexation of national forest lands into a fire district has occurred in other counties, including Los Angeles (Angeles National Forest) and Ventura (Los Padres National Forest). The Los Padres National Forest is located within the District's sphere of influence. The direction to annex these parcels into the district without the allocation of taxes was begun in 1989. No LAFCO submittal was ever filed and fire service continued to be provided.

Fiscal and Facilities Impacts:

Budgeted: No

Fiscal Analysis:

Narrative: The parcels proposed for annexation currently generate \$3,068,229 in property taxes, which is allocated as follows: \$2,265,717 (74%) to schools; \$740,351 (24%) to the County General Fund; and \$62,161 (2%) to special districts. Currently, no property taxes are allocated to the District.

Per Section 99 of the Revenue and Taxation Code, the proposed annexation requires a negotiated exchange of property taxes. As part of the negotiation, a portion of the taxes would be reallocated from the County General Fund to the District. The proposed tax exchange would be brought forward to the Board of Supervisors for consideration within 90 days after the County Executive Office receives the filed LAFCO application.

The proposed annexation does not have a fiscal impact on the existing cooperative agreement with the United States Forest Service. Santa Barbara County receives an annual payment known as the Payment in Lieu of Taxes (PILT) from the federal government to offset the loss of property taxes on federal lands. This amount was \$1,683,688 million in 2010. PILT payments may be used by recipients for any governmental purpose and are not directly provided to the District for fire services to the Los Padres National Forest. The proposed annexation of private parcels located within the Los Padres National Forest, will not impact the PILT payment.

Special Instructions:

The Clerk of the Board should send an executed copy of the resolution to Bob Braitman, Executive Officer of Santa Barbara County LAFCO and Rose Pueschel in the County Fire Department.

Attachments: Resolution of Application of the Board of Directors of the Santa Barbara County Fire Protection District initiating proceedings for the annexation of territory not already within the Santa Barbara County Fire Protection district excepting there from territory within the Cities of Guadalupe, Lompoc, Santa Barbara, Santa Maria, the Summerland/Carpinteria Fire Protection District and the Montecito Fire Protection District and excluding the Islands of San Miguel, Santa Barbara, Santa Rosa and Santa Cruz

2. Map of territories within the District
3. Map of territories proposed for annexation into the District
4. CEQA Notice of Exemption