



**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: County Executive Office
Department No.: 012
For Agenda Of: January 23, 2023
Placement: Set Hearing: 12/12/2023
Departmental:
01/23/2024
1st Reading: 02/06/2024
Departmental
2nd Reading: 02/13/2024
Administrative
Estimated Time: 15 min
Continued Item: No
If Yes, date from: N/A
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Director(s) Mona Miyasato, County Executive Officer

DocuSigned by:

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Contact Info: Jasmine McGinty, Principal Analyst
Brittany Odermann, Deputy County Executive Officer

SUBJECT: Annexation of Orcutt Gateway Retail Commercial Center/Key Site 2 (APN 129-280-001) (District 4) to Orcutt Community Facilities District

County Counsel Concurrence

As to form: Yes

Other Concurrence: **Clerk Recorder Assessor**

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors on December 12, 2024:

- a) Adopt a Resolution of intention to annex Orcutt Gateway Retail Commercial Center/Key Site 2 (APN 129-280-001) as territory to Orcutt Community Facilities District No. 2002-1 and to authorize the levy of special taxes therein (Attachment B);
- b) Set a public hearing for January 23, 2024, to consider the annexation of territory known as Orcutt Gateway Retail Commercial Center/Key Site 2 (APN 129-280-001) into the Orcutt Community Facilities District (No. 2002-1) and to authorize the levy of special taxes on the proposed parcel to be annexed; and
- c) Direct the Clerk to publish notice on or before January 16, 2024 in accord with California Government Code section 6061, of the hearing to be held on January 23, 2024 to consider the

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annexation of territory known as Orcutt Gateway Retail Commercial Center/Key Site 2 (APN 129-280-001) into the Orcutt Community Facilities District (No. 2002-1) and to authorize the levy of special taxes on the proposed parcel to be annexed.

On January 23, 2024, your Board's actions should include the following:

- a) Receive testimony regarding written protests that have been filed, if any;
- b) Adopt a Resolution calling for a mailed ballot Special Election for Annexation of Orcutt Gateway Retail Commercial Center/Key Site 2 (APN 129-280-001) into the Orcutt Community Facilities District (No. 2002-1) (Attachment C); and
- c) Set a hearing on February 6, 2024 to determine the results of the Special Election and consider the adoption of an Ordinance entitled "An Ordinance of the Board of Supervisors of the County of Santa Barbara Approving Annexation of Territory to Orcutt Community Facilities District (No. 2002-1) and Authorizing the Levy of Special Taxes Therein."

On February 6, 2024 your Board's actions should include the following:

- a) Certify the results of the Special Election and adopt a Resolution Declaring Results of Special Election and Directing Recording of Notice of Special Tax Lien (Attachment D);
- b) Approve the introduction (first reading) of an Ordinance entitled "An Ordinance of the Board of Supervisors of the County of Santa Barbara Approving Annexation of Territory to Orcutt Community Facilities District (No. 2002-1) and Authorizing the Levy of Special Taxes Therein" (Attachment E);
- c) Read the title and waive further reading of the Ordinance; and
- d) Set a hearing for February 13, 2024, on the Administrative Agenda to consider the adoption (second reading) of "An Ordinance of the Board of Supervisors of the County of Santa Barbara Approving Annexation of Territory to Orcutt Community Facilities District (No. 2002-1) and Authorizing the Levy of Special Taxes Therein."

On February 13, 2024, your Board's actions should include the following:

- a) Adopt (second reading) "An Ordinance of the Board of Supervisors of the County of Santa Barbara Approving Annexation of Territory to Orcutt Community Facilities District (No. 2002-1) and Authorizing the Levy of Special Taxes Therein;" and
- b) Determine that the adoption of the Ordinance is not the approval of a project that is 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, 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 a Notice of Exemption (NOE).

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Summary:

This item is on the Board's agenda to begin the process to annex territory into the Orcutt Community Facilities District. The Orcutt Gateway Retail Commercial Center project, located on Orcutt Key Site 2 (APN 129-280-001), is a commercial development project which was approved by the Board of Supervisors on [November 19, 2019](#). The approved Parcel Map would allow for the development of four commercial buildings including a grocery store, a drive-through, a gas station with an automatic car wash, and a general retail store. There are currently no structures on the subject parcel. Condition No. 8 of the approved Parcel Map (TPM 14,824) requires the project to be annexed into the North County Lighting District, County Services Area 5, and the Orcutt Community Facilities District (OCFD). Key Site 2 was annexed into the North County Lighting District and County Services Area 5 on May 4, 2023. This Board item calls for a mailed ballot special election for the Annexation of Orcutt Gateway Retail Commercial Center/Key Site 2 (APN 129-280-001) into the Orcutt Community Facilities District.

Discussion:

A community facilities district is a special financing entity governed by the Mello-Roos Community Facilities Act of 1982 that is authorized to levy special taxes and/or issue bonds through a local government agency in order to finance infrastructure construction and/or fund public operations and maintenance services. The Orcutt Community Facilities District (Orcutt Community Facilities District No. 2002-1) was formed by the Board of Supervisors on [October 8, 2002](#) to fund maintenance and operations expenditures for the unincorporated Orcutt area generally located South of Clark Avenue and between State Highway 135 and U.S. Highway 101. A Community Facilities District is created by an existing public entity which then becomes the legislative body of the district, in this case the Board of Supervisors. Annexation of a project or area into the CFD is then governed by the Board of Supervisors. The Orcutt Gateway Retail Commercial Center project, located on Orcutt Key Site 2, is located at Clark Avenue, west of U.S. Highway 101, within the existing Community Facilities District boundaries. An annexation map of the proposed territory for annexation in relation to the Orcutt Community Facilities District is included for reference as Attachment A.

The Mello-Roos Community Facilities Act of 1982 (Government Code sections 5311 et al.), prescribes the annexation process of parcels into a Community Facilities District. In accordance with the Mello-Roos Community Facilities Act of 1982, the annexation process is as follows:

1. Adopt a resolution to initiate the annexation.
2. Set a public hearing to be held no less than 30 days and no greater than 60 days after the adoption of the resolution.
3. Adopt a resolution calling for a special election.
4. Hold special election at least 90 days, but not more than 180 days following the adoption of the resolution.
5. Hold a public hearing to certify the results of the special election, adopt a resolution declaring results, and consider the first reading of an ordinance approving the annexation.
6. Adopt the ordinance approving the annexation.

The qualified electors may unanimously consent to a waiver of the time limit to hold the special election with concurrence of the election official. The Special Taxes imposed by the Orcutt Community Facilities District must be approved by a two-thirds majority of the "qualified voters." When fewer than twelve registered voters reside within the area proposed to be annexed, the qualified voters are those owners of

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property within that area to be annexed. Every property owner receives one vote per acre, or portion thereof, owned within the area to be annexed. In this particular annexation, the territory is vacant so the landowner(s) will constitute the "qualified voters." As the site is vacant, there is only one landowner for this territory, MoJo KS2, LLC, a California limited liability company.

Fiscal and Facilities Impacts:

The territory proposed for annexation will be subject to the annual levy of the Orcutt Community Facilities District special taxes once the annexation is completed. The Orcutt Community Facilities District special taxes are levied based on the type of structure built: single-family, multi-family, non-retail/commercial industrial and retail commercial.

The proposed new commercial development is proposed to include four buildings including a grocery store, a drive-through, a gas station with an automatic car wash, and an undecided retail store. The property is located on a 5.95 gross acre portion of Key Site 2 at the southwest corner of the Highway 101 and Clark Avenue intersection in the Orcutt Community Plan area, Fourth Supervisorial District. If the structures are taxed at the Retail Commercial Property rate Orcutt Community Facilities District FY 23-24 Maximum Special Tax Rate of \$0.77298 per square foot, then the estimated special taxes levied would be approximately \$33,200. The methodology used to calculate and apportion the special tax is based on the Rate and Method of Apportionment specified in [Resolution 02-353](#) which created Orcutt Community Facilities District No. 2002-1 and authorized the levy of the special tax. This resolution identifies a base dwelling unit for residential properties or a square footage fee for commercial properties that is 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%). After the special tax rate is determined, the Board of Supervisors must annually adopt a resolution levying the amounts of the special tax prior to August 10th. This rate was last adopted by the Board of Supervisors on [July 18, 2023](#).

Special Instructions:

- A. Direct the Clerk of the Board to publish a notice of said hearing one time in a newspaper of general circulation published in the area of the Orcutt Community Facilities District in a form approved by County Counsel. The publication of said notice shall be completed at least seven days prior to the hearing set for January 23, 2024.

Notice to be published:

BOARD OF SUPERVISORS OF THE COUNTY OF SANTA BARBARA NOTICE OF PUBLIC HEARING CONCERNING A RESOLUTION INITIATING THE ANNEXATION OF ORCUTT GATEWAY RETAIL COMMERCIAL CENTER/KEY SITE 2 (APN 129-280-001) INTO THE ORCUTT COMMUNITY FACILITIES DISTRICT AND THE LEVY OF SPECIAL TAXES THEREIN

Notice is hereby given that a public hearing will be held by the Board of Supervisors of the County of Santa Barbara, State of California, on January 23, 2024, at 9:00AM or shortly thereafter, in the County Board of Supervisors Hearing Room at the Santa Barbara County Government Administration Building, Board Hearing Room, 105 East Anapamu, Santa

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Barbara, to take public testimony on the proposed resolution annexing territory onto the Orcutt Community Facilities District and levying special taxes therein. The Orcutt Community Facilities District levies an annual special tax based on the type of dwelling unit to finance fire and sheriff protection services, maintenance of parks, parkways and open spaces and flood and storm protection services. The testimony of all interested persons for or against the annexation of territory into the community facilities district or the levying of special taxes within the territory proposed to be annexed will be heard.

Pursuant to California Government Code section 53339.6, written protests may be filed at or before the conclusion of the hearing on January 23, 2024 against the proposed annexation of Orcutt Gateway Retail Commercial Development / Key Site 2 (APN 129-280-001) to the Orcutt Community Facilities District, the furnishing of any specified type or types of services to the annexed areas within the Orcutt Community Facilities District, or the levying of any special tax within the annexed areas of the Orcutt Community Facilities District. Any objections or protests may be filed with the Clerk of the Board of Supervisors at or before the public hearing scheduled above. The address of the Clerk of the Board is 105 East Anapamu Street, Santa Barbara, CA 93101.

- B. Direct Elections to work with the County Executive Office to distribute special elections ballots to all qualified voters by personal service or by mail with return postage prepaid no later than January 23, 2024.
- C. Direct the Clerk of the Board to forward a certified minute order and completely executed copies of the resolution to the County Executive Office to the attention of Jasmine McGinty.

Attachments:

- A. Orcutt Gateway Retail Commercial Development/Key Site 2 (APN 129-280-001) Annexation Map of Orcutt Community Facilities District No. 2002-1
- B. Resolution Initiating Annexation of Orcutt Gateway Retail Commercial Development/Key Site 2 (APN 129-280-001) to Orcutt Community Facilities District with Exhibit C.
- C. Resolution Calling Special Election for Annexation of Orcutt Gateway Retail Commercial Development/Key Site 2 (APN 129-280-001) into Orcutt Community Facilities District with Exhibit A.
- D. Resolution Declaring Results of Special Election and Directing Recording of Notice of Special Tax Lien with Exhibit A.
- E. Ordinance Approving the Annexation of Orcutt Gateway Retail Commercial Development/Key Site 2 (APN 129-280-001) to Orcutt Community Facilities District No. 2002-1 with Exhibit A.

Authored by:

Jasmine McGinty, Principal Analyst, County Executive Office

cc: Betsy Schaffer, Auditor-Controller
George Chapjian, Director, Community Services Department
Michael Daly, Chief Deputy Registrar of Voters, Elections
Lisa Plowman, Director, Planning and Development
Aleksandar Jevremovic, County Surveyor