

Isla Vista Update

District 3, County Executive Office, Auditor-Controller
December 8, 2015

Updates from Last 12 Months

- Recent improvements
- State legislation
- AB 3 Resolution of Application with LAFCO
- Financial analysis related to the Isla Vista Community

Isla Vista Community

- 1.86 square miles
- Population of 15,250 to 21,000
- Geographically isolated peninsula with dense housing
- Lacked coordinated planning in early development
- Very dense population for the small area puts significant stress on infrastructure

Recent Improvements

- Provided an update on October 7, 2014
- Safety Improvements:
 - Community Resource Deputy
 - 280 street lights
 - Bluff fencing
- Community Enhancements
 - Prohibited oversized vehicles from parking overnight
 - Improved clinic building
 - Funded capital improvements to create community building

Recent Legislation

- AB2 Community Revitalization allows for the creation of an infrastructure financing district which has functions similar to the former redevelopment agency
- AB313 Enhanced Infrastructure Districts and AB2 allow for enhanced infrastructure financing which could over time mitigate some of the infrastructure demand and provide for low and moderate income housing

Legislation - AB3

AB3 provides the framework to achieve additional funding and will require additional steps for implementation :

- Requires County Board of Supervisors (BOS) on or before January 5, 2016, “to initiate a comprehensive review and recommendation of the formation of the district by the Santa Barbara County Local Agency Formation Commission” (LAFCO)
- LAFCO then has 150 days following receipt of application to complete its review and recommendation. It may not reject district formation
- LAFCO determines appropriate rate of taxation (5% to 8%) for a utility user tax
- LAFCO directs BOS to place the following on the ballot: District Approval, Candidates for the District's Board, and the utility user tax (November 2016)

AB 3, cont.

- Adoption of Resolution of Application:
 - Requires County Board of Supervisors (BOS) on or before January 5, 2016, to file a resolution of application with LAFCO “to initiate a comprehensive review and recommendation of the formation of the district by LAFCO”
 - Map of Community Services District (CSD) area – must be contiguous with County Service Area 31 and exclude properties owned by the Regents of the University of California

AB 3, cont.

- November 2016 election:
 - District approval (District's boundaries contiguous with County Service Area 31 and Isla Vista Parks and Recreation District – IVPRD).
 - Candidates for the District's Board
 - Utility user tax for District (LAFCO shall determine rate)
 - Only voters within the District boundaries can vote on AB 3 issues.

AB 3, cont.

Composition of seven member governing board of District:

- Five members elected at large from within the District
- One member appointed by the Board of Supervisors
- One member appointed by the Chancellor of the University of California

AB 3, cont.

- Utility user tax is a funding mechanism, estimated annual revenue \$300k - \$500k (does not include communications, i.e. cell phones and internet)
- Finance operations of the municipal advisory councils (MAC)
- Create tenant mediation program
- Finance the operations of area planning commissions
- Exercise the powers of a parking district
- Contract with the County or Regents, or both, for additional police protection services above the level already provided

AB 3, cont.

- Acquire, construct, improve, maintain, and operate community facilities, including but not limited to, community centers, libraries, theaters, museums, cultural facilities, and child care facilities
- Acquire, construct, improve and maintain sidewalks, gutters and trees above the level of service already provided by either the County of Santa Barbara, or County Service Area 31
- Abate graffiti

Isla Vista Funding Study

County of Santa Barbara – October 2015



Purpose

- Research and identify sustainable funding options for enhanced services and infrastructure in Isla Vista

Goals and Objectives

- Document current services and infrastructure
- Identify revenues and expenses
- Determine service and infrastructure needs
- Identify enhanced services for Isla Vista
- Ascertain options for increasing revenues to Isla Vista

Sustainable Funding Solutions?

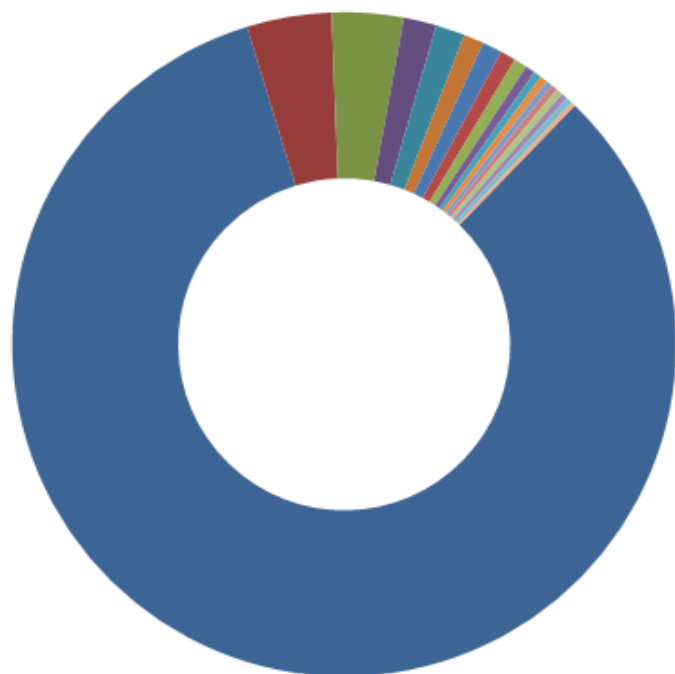
The intent was to provide sustainable funding options for enhanced services, instead we found:

- County of Santa Barbara provides \$18 million in services annually
 - Funded by \$5 million of revenue reimbursements and
 - \$5 million of Isla Vista taxes
 - Resulting in an \$8 million annual shortfall of locally generated revenues that is paid by the County
- Not a one-to-one correlation between taxes generated in this geographic area and the services provided by the County

Loss of Redevelopment Agency

- Since 1991, the Redevelopment Agency (RDA) funded \$44 million in community improvements such as:
 - Purchase of open space, El Embarcadero and Loop improvements, storm drain, Pardall Road streetscape and El Colegio road improvements, downtown solar parking lot, sidewalk improvements as well as beach access and park improvements
- Funding for infrastructure dramatically reduced in 2012 due to passage of ABX1 26 (dissolution of Redevelopment Agencies)

Providers of Services to Isla Vista Residents



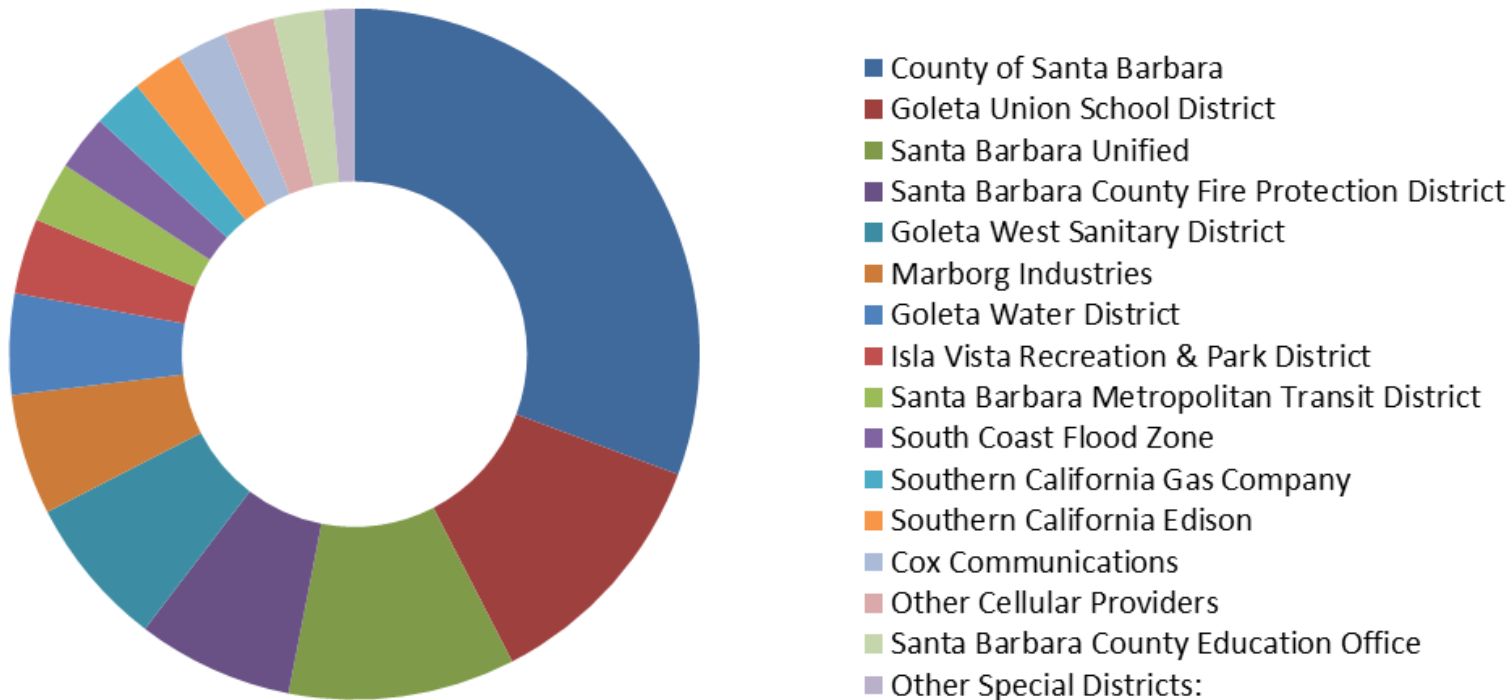
- University of California, Santa Barbara
- County of Santa Barbara
- Santa Barbara Community College District
- Goleta Union School District
- Santa Barbara Unified
- Santa Barbara County Fire Protection District
- Goleta West Sanitary District
- County Resource Recovery (waste collection)
- Goleta Water District
- Isla Vista Recreation & Park District
- Santa Barbara Metropolitan Transit District
- South Coast Flood Zone
- Southern California Gas Company
- Southern California Edison
- Cox Communications
- Cellular Providers
- Santa Barbara County Education Office
- Other Special Districts

UCSB & SBCC

- These higher learning institutions create large economic benefit for students, employees, and surrounding community
- Corresponding large demand for services
- Fee for service models work (such as utilities) since costs are reimbursed through fees
- Traditional tax structure not sufficient to finance County services to the geographic area
- Geographic area of the university generates very little tax due to UCSB tax exempt status

Providers of Services to Isla Vista

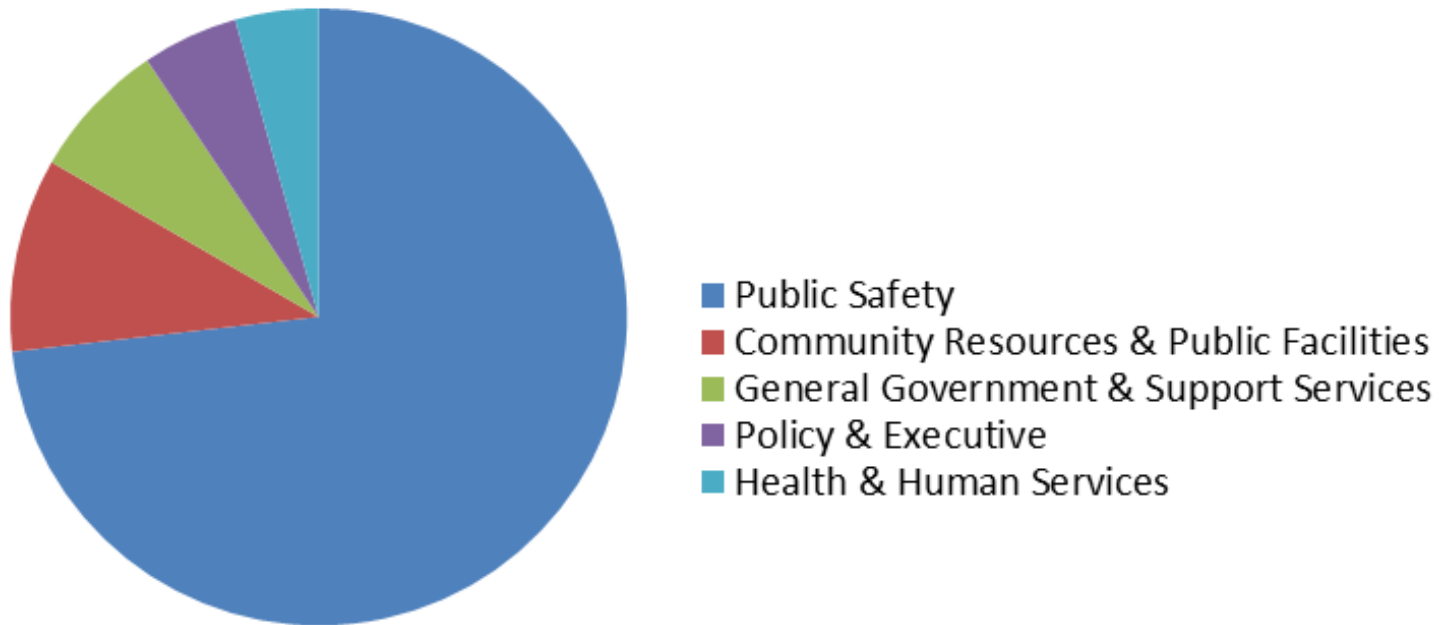
(excluding higher education)



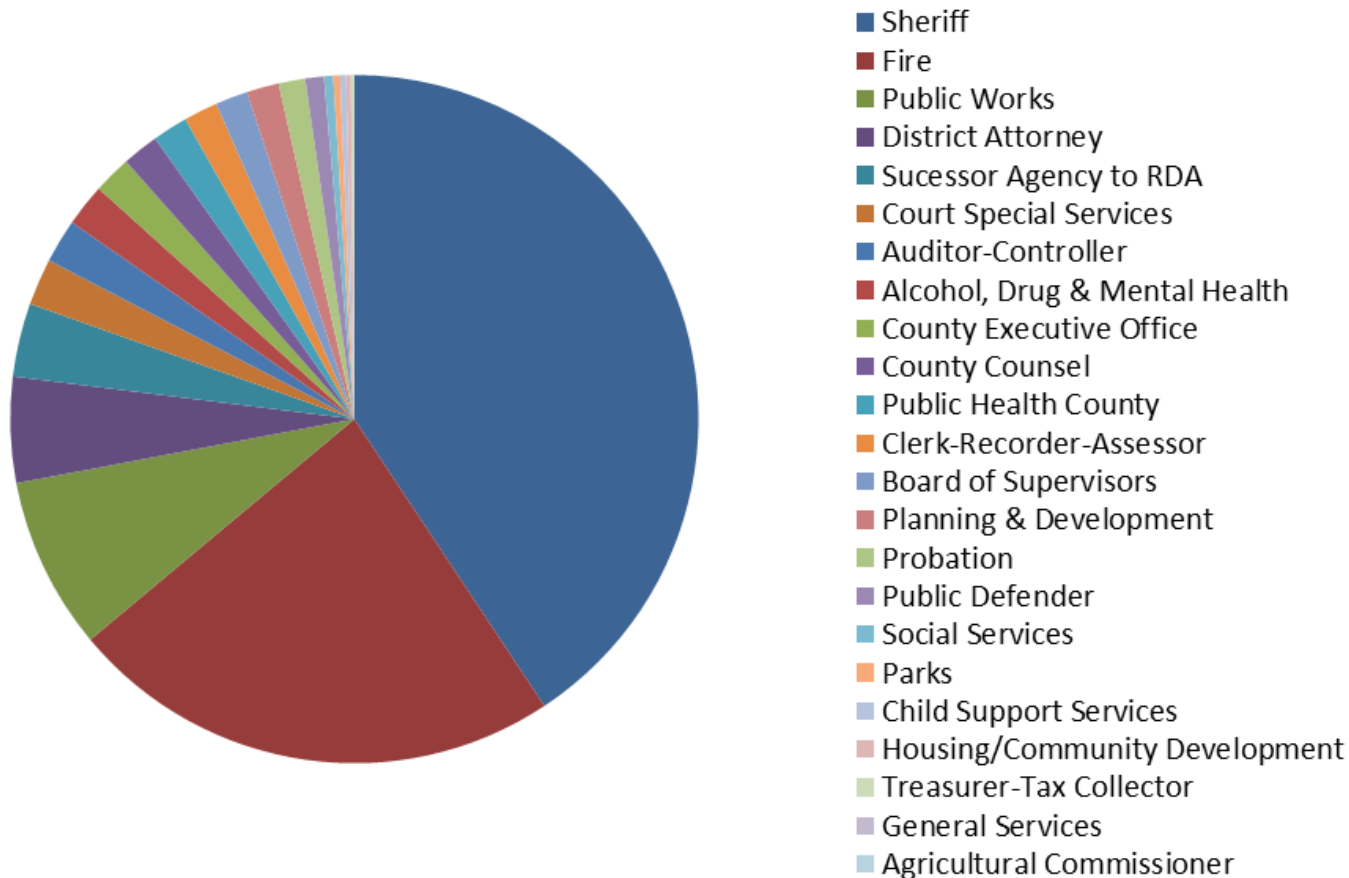
Providers of Services to Isla Vista

- In order to provide public safety services and other mandated services in Isla Vista, the County of Santa Barbara uses taxes generated across the entire County to provide these services.
- Due to the current cost of existing services in Isla Vista, it is difficult for the County to provide additional enhanced services to a densely populated area like Isla Vista because of the lack of a strong contributing tax base in the University and Isla Vista geographic area.

County of Santa Barbara Expenses in Isla Vista by Function



County of Santa Barbara Expenses in Isla Vista by Department



Isla Vista Related Service Expenses

Functions - Departments	Isla Vista Expenses	Revenue Reimbursements		Net (Expense) Revenue
		Charges for Services	State & Federal	
Policy & Executive				
Board of Supervisors	\$ 197,150	\$ -	\$ -	\$ (197,150)
County Executive Office	230,380	-	-	(230,380)
County Counsel	291,220	70,000	-	(221,220)
Total	718,750	70,000	-	(648,750)
Public Safety				
District Attorney	1,034,760	393,200	-	(641,560)
Probation	161,300	-	-	(161,300)
Public Defender	170,500	6,490	51,510	(112,500)
Court Special Services	537,360	254,850	-	(282,510)
Fire	3,100,000	99,200	-	(3,000,800)
Sheriff	5,253,730	-	-	(5,253,730)
Total	10,257,650	753,740	51,510	(9,452,400)
Health & Human Services				
Public Health County	900,240	259,830	425,790	(214,620)
Alcohol, Drug & Mental Health	595,010	-	337,920	(257,090)
Social Services	816,020	-	759,920	(56,100)
Child Support Services	35,670	-	-	(35,670)
First 5, Children & Families	247,000	-	247,000	-
Total	2,593,940	259,830	1,770,630	(563,480)
Community Resources & Public Facilities				
Agricultural Commissioner	2,000	1,200	-	(800)
Planning & Development	297,020	101,200	-	(195,820)
Public Works	1,044,350	-	-	(1,044,350)
Housing/Community Developme	278,180	-	249,000	(29,180)
Parks	41,000	-	-	(41,000)
Total	1,662,550	102,400	249,000	(1,311,150)
General Government & Support Services				
Auditor-Controller	265,560	-	-	(265,560)
Clerk-Recorder-Assessor	311,780	106,390	-	(205,390)
General Services	2,580	-	-	(2,580)
Treasurer-Tax Collector	225,800	116,770	91,940	(17,090)
Debt Service	1,374,800	-	1,374,800	-
Successor Agency to RDA	446,610	-	-	(446,610)
Total	2,627,130	223,160	1,466,740	(937,230)
Total Santa Barbara County	\$ 17,860,020	\$ 1,409,130	\$ 3,537,880	(12,913,010)

Isla Vista Related Service Expenses

Santa Barbara County Isla Vista Related Expenses (\$12,913,010)

General Revenues identifiable for Isla Vista:

Taxes

Property Tax	2,309,700
Property Tax, Fire	592,670
Property Tax, county service area 31	39,000
Property Tax RPTTF Fund	44,610
Sales Tax, Isla Vista	278,910
Prop 172, Fire	168,880
Prop 172 (per capita, excludes Fire)	1,026,670
Transit occupancy	266,080
Franchise Fees	<u>336,000</u>

Total General Revenues identifiable for Isla Vista 5,062,520

Difference \$ (7,850,490)

Additional Service Needs

- An objective of the report was to identify enhanced service needs
- The \$8 million annual shortfall for Isla Vista costs does not include these additional service needs such as:
 - Increased funding for foot patrol staffing
 - Community service officers in both Fire and Sheriff
 - A contracted sobering center
 - A more active code enforcement program

Infrastructure Improvements

- Using RDA Long Range Development Plan and Departmental Reports we identified long-term infrastructure needs for the Isla Vista area such as:
 - Sidewalk safety
 - Undergrounding utilities
 - Parking structures
 - Deferred maintenance
 - Deterioration of the infrastructure occurs at an advanced rate due to the population density
- Unfortunately the major projects were to be funded with the RDA that has been dissolved by the legislature
- In order to adequately fund infrastructure improvements we estimate a need of at least \$4.5 million annually

Final Thoughts

- Although we did not find a comprehensive solution that would augment the County's ongoing annual investment in the Isla Vista geographic area, our primary aim is to increase safety, security and enhance the overall well-being of the community. To that end we will:
 - Continue to support the community
 - Work collaboratively with all invested parties (including private organizations)
 - Work with the new and existing legislation to establish the structure for enhanced services and infrastructure funding

Recommended Actions

- Receive and file an updated report regarding recent improvements, state legislation, and a financial analysis related to Isla Vista.
- Adopt a resolution of application to initiate a comprehensive review and recommendation of the formation of the Isla Vista Community Services District by LAFCO, per requirements of AB 3.
- Approve and authorize the Chair to execute the Cost Accounting and Indemnification Agreement required by LAFCO.
- Direct staff to file an application with LAFCO per requirements of AB 3 to initiate a comprehensive review and recommendation of the formation of the Isla Vista Community Services District.
- Give further direction to staff as appropriate.