

LAFCO

Santa Barbara Local Agency Formation Commission
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April 7, 2005 (Agenda)

Local Agency Formation Commission
105 East Anapamu Street
Santa Barbara CA 93101

LAFCO 04-10 – Hart Reorganization

Dear Members of the Commission:

RECOMMENDATION

It is recommended the Commission receive this letter as part of the record of this proceeding.

The staff recommendation remains the same, approval of the Hart Annexation with the inclusion of the Maxwell parcel to avoid creating an unincorporated island.

DISCUSSION

This matter was heard by the Commission on March 3 and continued to the April 7 meeting. The staff was directed to develop additional information regarding (1) continued use of the Maxwell property for its present purposes if it annexed to the City and (2) differences in costs that could result for the Maxwells if their property is annexed to the City.

A copy of our March 3 staff report is enclosed as Exhibit C.

Continuation of Existing Uses if Annexed to the City

The enclosed letter (Exhibit A) from Paul Casey, the City's Community Development Director provides much of the information requested by the Commission. It discusses on page 2 the issue of legal but "non conforming" uses if the Maxwell parcel is annexed to the City, and the ability of the owners to "rebuild" structures on the site if they are destroyed by fire or other natural disasters.

The City allows continued residential and commercial uses when in compliance with County standards and the municipal code allows rebuilding of structures that have been destroyed, even though they are nonconforming uses and buildings.

Differences in Costs in the City

The City's letter discusses water rates. Based upon the Maxwells' current usage, which exceeds an average single-family residential use by 76% - due presumably to the size of the lot and the amount of landscaping - the difference after annexation would be an increase of \$125 a year.

Staff also received the enclosed correspondence from Gary Maxwell (Exhibit B). He indicates water rates in the City for their monthly usage would be 25% higher, or \$304 annually, but the data provided by the City indicates the rates would be about 11% higher or \$125 per year.

The City's letter also discusses the 6% utility tax that is applied to water, electricity, telephone, cable television and refuse bills in the City. It notes that half of this utility tax is devoted to maintaining public roads throughout the City.

The only access to the Maxwell parcel is by dedicated City streets; even the driveway connects to a City street. Having the Maxwells help pay for road maintenance through the payment of a utility tax would appear to be a matter of equity.

The City notes the only business-related expense for the Maxwells would be a business license, required of all entities doing business in the City regardless of whether in an office or home location. If the Maxwells are conducting any business within the City they should already have a City business license. An annual license is \$100 per professional.

Mr. Maxwell has indicated they do not have a business license from the City since their business is conducted entirely outside the City, and indicated he has a business license from the County.

The staff, having reviewed the matter with both Mr. Maxwell and the County Tax Collector, can report that the County does not issue business licenses for real estate operations and no business license is required. Mr. Maxwell may have been making reference to a one-time home occupation permit that was issued several years ago for the business located at his home.

Annexation of Sunset Road Properties

One result of the March 3 hearing on the Hart Reorganization was to focus attention on the Sunset Road area that constitutes most of an unincorporated island south of the Maxwell parcel. The City's letter indicates roadway improvements have been completed for Sunset Road and the City supports moving forward with this annexation.

Most, if not all, of the property owners on Sunset Road have recorded consent to be annexed and I anticipate this proposal will be on the Commission's agenda in the near future.

Prohibition Against Creating Unincorporated Islands

Clearly, State statutes are written to avoid creating unincorporated islands surrounded by cities. As noted in our staff report, the statute prohibits LAFCO from approving annexations that create an island unless it can make two findings. To create an island, the Commission has to find that (1) the area to be enclosed cannot reasonable be annexed to another city and (2) annexing the island would be detrimental to the orderly development of the community

The first is obvious but there is an open question as to whether annexing the Maxwell parcel with the Hart parcel would be detrimental to the orderly development of the community.

The staff recognizes that City boundaries, even if the Hart and Maxwell parcels are annexed, will still have illogical configurations. Annexing the Sunset Road area will greatly reduce an existing unincorporated island but other areas totally or substantially surrounded by the City will remain.

Annexing the Hart, Maxwell and Sunset Road properties are steps in the right direction, towards creating more logical, orderly boundaries. Other unincorporated “pockets” will be annexed in due time in conjunction with other annexations or perhaps through a boundary clean up cooperatively conducted by the City and the Commission.

Please contact the LAFCO office if you have any questions.

Sincerely,

BOB BRAITMAN
Executive Officer

Exhibit A - Paul Casey letter dated March 16
Exhibit B - Gary Maxwell fax dated March 22
Exhibit C - Executive Officer Report dated March 3

FOR A COPY OF THE STAFF REPORT SEE ITEM 8 FROM THE MARCH 3 MEETING. CONTACT THE LAFCO OFFICE IF YOU WISH A COPY OF THE EXHIBITS NOTED IN THIS LETTER AND IN THE STAFF REPORT.