LAFCO

Santa Barbara Local Agency Formation Commission

105 East Anapamu Street ◆ Santa Barbara CA 93101 805/568-3391 ◆ FAX 805/647-7647

November 6, 2008 (Agenda)

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

LAFCO 03-13 – Formation of Santa Rita Hills Community Services District

Dear Members of the Commission:

RECOMMENDATION

It is recommended the Commission adopt amended Resolution No. 03-13 approving formation of the Santa Rita Hills Community Services District by including establishment by the voters of an appropriations limit comparable to the authorized maximum special tax.

Further it is recommended the Commission adopt enclosed Resolution No. 03-13 – Election, directing the Board of Supervisors to direct County officials to conduct the necessary election on behalf of the proposed Santa Rita Hills CSD.

DISCUSSION

Background

The Commission on July 3, 2008 following extensive public hearings approved forming the Santa Rita Hills Community Services District subject to voter approval of the terms and conditions set forth for in the resolution for creation of the District.

The Executive Officer on October 13, 2008 conducted a properly noticed protest hearing. Protests were submitted by four of the 29 landowners within the proposal area and by two of the 11 registered voters residing within the proposal area.

These protests do not constitute a majority protest. Government Code §61014 specifies that if a majority protest does not exist, the Commission shall order the formation subject, in this case, to approval by the voters of the special tax and shall direct the Board of Supervisors to have county officials conduct the necessary confirmation election for the proposed district.

Executive Officer Determination and Order No. 03-13 prepared following the protest hearing ordering the formation of the district subject to a confirmation election is enclosed.

Local Agency Formation Commission Santa Rita Hills CSD February 6, 2008 (Agenda) Page 2

Recommended Appropriations Limit

Government Code §57120 states, in addition to any other requirements, a resolution of the commission ordering a formation subject to an election shall provide for the establishment of the appropriations limit determined pursuant to Section 56811 or 56812.

Commission Resolution No. 03-13 as adopted on July 3 specifies a maximum annual special tax as part of the confirmation election of \$3,000,000 for fiscal year 2008-2009 which shall increase automatically each fiscal year thereafter by the percentage change in the Consumer Price Index (CPI) for the Los Angeles/Long Beach area for the prior 12 months.

The amended Resolution No. 03-13 enclosed as Exhibit B includes wording requiring approval by the voters of an appropriations limit to be equivalent to the maximum annual special tax.

Statutory Procedures for Conducting Election

Following Commission approval the next step is for the Board of Supervisors to call and County Elections officials to conduct an election for voters to confirm the formation of the new District, authorize the special tax measure and appropriations limit that is part of the Commission's approval and select the initial board of directors.

Given the limited number of registered voters within the proposed District the most logical course of action is to conduct the election by mailed ballot. The election schedule enclosed as Exhibit C was developed by County Elections staff for the purpose of conducting this ballot.

Terms of the Election

In accordance with Government Code §57133(k) and the terms and conditions set forth in LAFCO's resolution of approval, the confirmation election shall present the following questions to the registered voters within the proposed district:

Formation of Community Services District

Shall the order adopted on November 6, 2008, by the Santa Barbara Local
Agency Formation Commission ordering the formation of a Community Services
District in the territory known as the Santa Rita Hills be approved subject to the
terms and conditions set forth in such resolution?

Yes	No
-----	----

Authorization of Special Tax

Local Agency Formation Commission Santa Rita Hills CSD February 6, 2008 (Agenda) Page 3

Shall the following special tax be approved as part of the formation?

- 1. The maximum annual special tax authorized for the District shall be Three Million Dollars (\$3,000,000) for the fiscal year 2008-2009 and shall increase automatically each fiscal year thereafter by the percentage change in the Consumer Price Index (CPI) for the Los Angeles/Long Beach area for the prior 12 months.
- 2. The actual tax to be levied for any fiscal year shall be determined by a majority vote of the District board of directors on the basis of the actual revenues estimated to be required by the District to pay its reasonable and necessary expenses for such year.
- The special tax shall be applied equally to each legal lot within the District; the amount of the tax levied shall be the same for each lot.
 Yes ______ No _____.

Authorization of Appropriations Limit

Shall the appropriations limit approved as part of the formation be Three Million Dollars (\$3,000,000) for the fiscal year 2008-2009 and increase automatically each fiscal year thereafter by the percentage change in the Consumer Price Index (CPI) for the Los Angeles/Long Beach area for the prior 12 months.

Yes No	
--------	--

Election of Initial Board of Directors

Vote for not more than five of the following nominees for the board of directors:

(List names here)

Enclosed Exhibit D is Resolution No. 03-13 – Election, directing the Board of Supervisors to have County Elections officials conduct the necessary election on behalf of the proposed Santa Rita Hills CSD.

Local Agency Formation Commission Santa Rita Hills CSD February 6, 2008 (Agenda) Page 4

Please contact the LAFCO office if you have any questions.

Sincerely,

BOB BRAITMAN

Executive Officer

Exhibit A	Executive Officer Determination and Order No. 03-13
Exhibit B	Amended Resolution No. 03-13
Exhibit C	Election Schedule
Exhibit D	Proposed Resolution No. 03-13 – Election

cc: Billie Alvarez, County Elections Bill Dillon, LAFCO Legal Counsel,