The Economics of Land Use



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Isla Vista Governance Options Financial Analysis Study





On behalf of: The Fund for Santa Barbara September 29, 2015 Updated December 7, 2105 EPS #151070

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Errata to the Isla Vista Governance Options Financial Analysis Study, dated September 29, 2015

The original *Isla Vista Governance Options Financial Analysis Study*, dated September 29, 2015 was issued and a public meeting was held in Isla Vista on October 7, 2015 to discuss the results of the study. Since the report was issued, the Governor signed Assembly Bill 3 *Isla Vista Community Services District* (AB-3) into law and the County prepared a study on the costs of current and desired services in Isla Vista. This errata statement and revised report have been issued to acknowledge these events while at the same time making minor typographical and other changes to clarify portions of the report. None of the changes noted in this errata page alter the key findings of the previously issued report.

The following is a list of errata and corrections to the September 29, 2015 report:

- Passage of AB-3. AB-3 was signed into law in October 2015. AB-3 requires the County of Santa Barbara and the Santa Barbara Local Agency Formation Commission to take actions which will lead to the placement of a Community Services District (CSD) for Isla Vista on the November 2016 ballot. This *Isla Vista Governance Options Financial Analysis Study* analyzes three options for governance options in Isla Vista including a CSD. While the passage of AB-3 means that the voters may choose to form a CSD in the near-term, the analysis of the other options analyzed Municipal Services Council (MSC) and Cityhood are still relevant whether or not the CSD is formed by the voters (i.e., an MSC may be formed in addition to the CSD or Cityhood may ultimately still be pursued). Throughout the document, AB-3's passage has been noted.
- Sales tax increase in Cityhood estimate. The Cityhood tables have been updated to reflect a correction to the allocation of sales tax to Isla Vista, which has increased the estimate of taxes. For the two geographies analyzed (the Isla Vista "box" and the Isla Vista "box" plus UCSB campus), the tax estimate increased from \$330,000 and \$460,000, respectively to \$440,000 and \$610,000. This change has decreased the Cityhood deficit found between General Fund revenues and costs from \$3.12 million and \$3.22 million to deficits of \$3.01 and \$3.07 million per year. See Table 8 for the change and Appendix C.
- Additional County documents provided related to Isla Vista-focused services. A document has been added to **Appendix G** which summarizes specific County actions and programs focused on Isla Vista public health and safety.
- Miscellaneous typographical errors and minor clarifications have also been made with this issuance. For example, one table footnote was edited to indicate an assumption which was made by the authors and clarifies that the assumption is not indicative of what a particular agency has committed to. See footnote example below from Table 8, new text in red:

(1) Bedroom count derived from recent IVRPD tax rolls (about 8,700 bedrooms) less the roughly 1,000 beds in Tropicana Gardens anticipated to be deducted from tax rolls in the future. Note that this deduction has been done as a conservative estimate for the Cityhood analysis; UCSB has not confirmed that Tropicana Gardens will necessarily be exempted from property taxes.

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1. EXECUTIVE SUMMARY

Introduction and Purpose

Isla Vista is an unincorporated, densely populated community adjacent to the cities of Goleta and Santa Barbara and the University of California at Santa Barbara. With 24,000 people in the IV "box" and the surrounding UCSB campus, it is one of the largest urban communities in the State not governed as a city. The County of Santa Barbara provides all municipal services to IV (at a cost of about \$5 million per year), along with other service providers including school districts, UCSB, Metropolitan Transportation District, Isla Vista Recreation and Park District, utilities and nonprofit agencies.

A group of residents, business owners, organizations and others invested in the Isla Vista community approached The Fund for Santa Barbara (The Fund), a local community foundation, to serve as the fiscal sponsor and to facilitate an analysis to inform the community of potential governance options to improve conditions in Isla Vista.

The Fund contracted with Economic & Planning Systems (EPS) in association with Berkson Associates to evaluate financial aspects of different governance structures for Isla Vista, defined as both the IV "box" and the IV "box" plus adjacent UCSB-owned land. Working with a diverse and representative Oversight Committee that includes residents and community stakeholders, EPS conducted an analysis of the fiscal implications of:

- Establishing a Community Services District (CSD)
- Incorporating a new City of Isla Vista (City of IV)
- Forming an Isla Vista Municipal Advisory Council (MAC)
- Creating an Isla Vista Area Planning Commission (IVAPC)

Findings

1. Community Services District

A CSD would have the capability to improve local governance through an Isla Vista CSD Board and expand services if the community approves new taxes to increase public funding.

- A CSD could be formed by State legislation and voter approval, or through a petition to the Local Agency Formation Commission (LAFCO). A CSD Board would then be formed by election and/or appointment as the governing body.
- The County and other service providers would continue to fund and provide existing services.
- The now enacted State Assembly Bill 3 (AB-3) enables Isla Vista voters to approve a new utility users tax (UUT) to fund the CSD. A 5 to 8 percent UUT could generate \$320,000 to \$512,000, after exemptions for UCSB-owned property and low-income households. Voters could also approve special taxes to fund a CSD formed through LAFCO.

- CSD staff, likely to include at least 1.5 full-time employees (i.e., a general manager and a part-time administrator), could support board actions, oversee administration of programs, and manage contracts with other public, private or nonprofit agencies. Administrative costs for staff, office space and supplies for a new Isla Vista CSD are estimated to be \$257,000 annually.
- Funds available after paying administrative costs would be allocated by a CSD Board who could choose options to expand local services, such as increased community safety, building code enforcement, public facility maintenance, tenant services, parking programs, community and economic development, and mental and physical health programs.

2. Incorporation of a new City of Isla Vista

A new City of Isla Vista is projected to generate local taxes totaling \$5.45 million while costs are estimated at \$8.46 million, leaving a need for about \$3.01 million in new taxes to achieve a fiscally stable new City.

- To fund the financial shortfall, the new city could put new taxes (including a new UUT) before the voters. The new taxes would pay for municipal services currently provided by the County, which would shift to the new city, including responsibility for police protection, public works, and planning and community development.
- A new city would have much greater authority than a CSD over local services, policies, and ordinances, including parking restrictions, rent stabilization, and land use authority.

3. Municipal Advisory Council

The County Board of Supervisors could form an Isla Vista MAC in order to provide a locally elected or appointed council to represent Isla Vista by advising the County on municipal services. Some additional costs to the County (estimated at a minimum to be \$3,000) would be incurred for part-time staff to support the MAC.

- In its action forming the MAC, the Board of Supervisors would likely include language defining the MAC's advisory role on matters relevant to the Isla Vista community, providing funding for MAC operations, and specifying the method of selecting MAC members (either by appointment or through elections).
- The Board could also choose to connect the existing County Service Area #31 (CSA #31) to an IVMAC. CSA #31 generates approximately \$90,000 annually through assessments and taxes from property in the IV box and appropriates the revenues for street lighting; sidewalk, curb, and gutter construction and maintenance; and street tree maintenance. With LAFCOapproval, the Board could fund MAC operations through the CSA#31. Voter-approval of new taxes for CSA#31 could fund expanded services.

4. Isla Vista Area Planning Commission

An IVAPC could be formed by the County to serve as a Planning Commission with jurisdiction over land use matters in Isla Vista.

- Existing County staff would support the functions of the IVAPC without a significant increase in costs, since the IVAPC would replace existing County Planning Commission functions.
- Either or both a MAC and an IVAPC could be formed by the County Board of Supervisors.

Conclusion

The need for change in Isla Vista is well-documented, and support for improvements in the function and funding of services in the community is strong. While the passage of AB-3 sets a distinct course of action (hold elections for formation of a CSD, as specified in the bill), advocates of different governance outcomes may also consider pursuing traditional proceedings to achieve their aims (e.g., form a CSD, incorporate a city, or form a MAC and/or IVAPC by a Board of Supervisors vote).

Regardless of the governance change pursued, the need for higher levels of services in Isla Vista necessitates additional funding. To that end, all revenue options and cost efficiencies should be considered and this report includes documentation and information to help make that evaluation and debate transparent.

The report contains background and socioeconomic data on Isla Vista, evaluates the financial aspects of each governance option considered, and provides a list of potential next steps to advance the Isla Vista governance discussion. The study also contains several background appendices providing the public and stakeholders access to a wide-range of data on topics summarized in the body of the report (including potential CSD spending, potential City revenues and expenditures, and existing service provider data, among others).

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2. BACKGROUND

Isla Vista is an unincorporated, densely populated community adjacent to the cities of Goleta and Santa Barbara and the University of California at Santa Barbara (UCSB). It is one of the largest urban communities in the State not governed as a city. The scenic area, density of rental product, and diverse population—including college-aged residents, long-term residents, and families—is a major draw for new residents and visitors. Some of the same factors that make Isla Vista very attractive have also contributed to difficult living conditions for residents, with parties drawing young people from in and outside of the region and requiring a significant law enforcement presence, demand for housing leading to overcrowded units, accidents and injuries occurring along the scenic cliffs, and the tolerant environment at times attracting criminal activity and violent crime.

Issue

Many believe that the lack of a formal local governance structure has contributed to aging and deficient infrastructure, crowded housing conditions, and inadequate oversight of public safety and welfare. The community has, over the years, sought to improve governance and services in the community, through the operation of a Municipal Advisory Council (MAC, formed in 1971 and dissolved in 1985), the formation of the Isla Vista Recreation and Parks District in 1972, and several unsuccessful attempts at incorporation (1970s and early 1980s), among other efforts.

While the County government, in collaboration with UCSB, other non-profits and the community, has made strides towards addressing these issues, limited resources and other factors hinder significant and continued progress. Past studies and efforts have demonstrated the difficulty of creating a new governance structure in Isla Vista.¹ Challenges include low revenue base, transient population, and landlord opposition to local control and taxation. Current and recent efforts to confront these challenges include Assembly Bill 3 (AB-3) – the passage of which in October 2015 sets a course for placing a legislated Community Services District (CSD) option before IV voters - community members advocating for Isla Vista MAC.²

¹ Including studies produced by the County (see documents for October 7, 2014 Board meeting for item: "Isla Vista – Update on Governance and Finance Options, Infrastructure Accomplishments and Activities, and Resource Needs, District 3"), Grand Jury Report (Isla Vista Take Charge, 2002-2003) EPS (Local Governance Options for Isla Vista, 2001), and Trow Commission Report (1970, see **Appendix H** for selections from the report), among others. The most recent strategic examination of improvements in Isla Vista was completed by the UCSB Foundation called "A Call for Action: Report of the UC Santa Barbara Foundation Trustees' Advisory Committee on Isla Vista Strategies" published in November 2014.

² See **Appendix E** for text of Assembly Bill 3.

Purpose and Scope

At the request of community stakeholders, The Fund for Santa Barbara, a local community foundation, acted as the fiscal sponsor and contracted with Economic & Planning Systems (EPS) to evaluate financial aspects of different governance structures for the Isla Vista area to assist the community of Isla Vista as it considers making changes to local governance. Currently, the County of Santa Barbara (County) provides most public services in Isla Vista; a new public entity would augment and expand existing services to help address pressing public service needs. Working with a diverse Oversight Committee of community members and representatives of local agencies and nonprofit organizations, the effort analyzed the establishment of a CSD, creation of an incorporated City of Isla Vista, and the formation of a Municipal Advisory Council and an Area Planning Commission in Isla Vista.

Governance Options Analyzed

Table 1 summarizes how services, taxes, and authority would change under the governance options analyzed in this study, and which entity must act to establish the new governance structure.

Category	Current	CSD	Incorporation	MAC/CSA #31/ APC
Municipal Service Provider	County provides municipal and other services.	CSD augments current County services	New City provides municipal services previously provided by County.	No change, County continues to provide all current services. APC replaces County Planning Commission.
New Taxes	None.	New UUT and/or Special Tax (e.g., parcel or bedroom tax) to be approved by IV voters.	New UUT and/or Special Tax (e.g., parcel or bedroom tax) to be approved by IV voters.	No new taxes required; MAC may recommend additional taxes for additional services for voter approval.
Changes in Authority	No changes.	CSD has authority to put new taxes before voters and allocate revenue to new services; County retains authority over local ordinances and policies.	New City takes over all local government authority, including local ordinances, land use decisions, and placing new taxes before voters.	County defines policy areas or service areas upon which MAC recommendations and analysis would be sought. APC replaces County Planning Commission.
Implementation	County and UCSB are taking steps to improve student housing and public services.	Citizens group petitions LAFCO, or State legislation; residents vote on formation, new taxes, and some/all CSD Board members.	Citizens group petitions LAFCO; residents vote on incorporation, new taxes, and City Council members.	Board of Supervisor's resolution to form MAC/APC, provide funding for operation, and appoint or hold elections for members; LAFCO-approval if MAC or APC funded through CSA #31; New taxes may eventually be put before voters.

Table 1 Governance Options Analyzed

3. SCOPE OF THE STUDY

The Fund for Santa Barbara contracted with EPS in association with Berkson Associates to evaluate financial aspects of different governance structures for the Isla Vista area. Currently, the County of Santa Barbara (County) provides most public services in Isla Vista; a new public entity would augment and expand existing services to help address pressing public service needs. Working with a diverse Oversight Committee of community members and representatives of local agencies and nonprofit organizations, the effort analyzed the establishment of a Community Services District (CSD), creation of an incorporated City of Isla Vista, and the implementation of a Municipal Advisory Council in Isla Vista.

The Study builds on prior work conducted on public service and fiscal issues in Isla Vista by EPS, and utilizes a range of public information sources and EPS's experience in other communities. EPS met on multiple occasions with the Oversight Committee to discuss issues, resources, and data, and to gain the benefit of its review and input. The analysis focuses on annual costs and revenues for a new CSD, a new city, and a new MAC; opportunities to help plan and fund capital improvements are noted, but not evaluated in this report. All figures are expressed in dollars of 2015 purchasing power, unless otherwise noted. The conclusions and recommendations in this Study are intended to inform community discussion; actual results and outcomes depend on future policy and legislative decisions, voter approvals, possible LAFCO review and action by County supervisors, as well future economic conditions.

Governance Options

This *Isla Vista Financial Implications of Governance Options Study* (the "GO Study") evaluates the feasibility of potential governance structures for Isa Vista. The purpose of the Study is to describe a range of potential services and other benefits offered by each option, their costs, and potential funding sources that include new taxes.

Recent legislation (Assembly Bill-3) seeks to address the issue of governance by forming a Community Services District (CSD) by special State legislation. The bill outlines the justification for the CSD, the types of services which may be provided by the CSD, and a method for funding the services, contingent on voter approval of new taxes.³ Concurrently, a group of stakeholders is holding community discussions on incorporation of Isla Vista while County policymakers are considering forming a Municipal Advisory Council for Isla Vista to advise the County Board of Supervisors on local issues and services and/or an Isla Vista Area Planning Commission to serve as the Planning Commission for Isla Vista land use issues.⁴

³ The draft legislation allows for utility users taxes (UUT) to be put before the voters, which may range from 5 to 8 percent of the total invoice on the following types of utilities: electricity, natural gas, water, sewer, and garbage. Other utilities which may be subject to a UUT under the Incorporation scenario include phone and cable services.

⁴ A MAC and APC may be formed by Board actions and would require minimal funding to begin operations.

The governance structures analyzed in this report are:⁵

- **Community Service District.** A CSD may be formed pursuant to the provisions of AB-3, or through California Government Code 61000 et. seq. ⁶ The CSD would be governed by a Board made up of locally elected (and appointed members, in the case of an AB-3 CSD), providing residents with a greater level of control over the use of certain revenues generated within the CSD boundaries to augment services currently provided by the County and other public and nonprofit entities. Services would be funded by new taxes, to be approved by at least two-thirds of the electorate.⁷
- Incorporation of a City of Isla Vista. The new city would be governed by a locally elected city council rather than the County Board of Supervisors and would provide residents with a greater level of control over planning and growth issues and the use of revenue generated within the city boundaries, while also conferring obligations to provide municipal services currently provided by the County. The GO Study assumes that the new city would provide services at a level at least equal to the levels currently provided by the County and indicates the extent to which additional taxes may be required to fund current service levels and enhanced service levels.
- **Municipal Advisory Council and Area Planning Commission.** A MAC may be formed by the Santa Barbara Board of Supervisors and would be composed of elected or appointed members, serving in an advisory capacity to the Supervisors on local, Isla Vista issues. An APC could be similarly formed by the Board of Supervisors and would replace the planning functions of the County Planning Commission.

⁵ Note that other governance scenarios certainly exist – the adjacent cities of Santa Barbara or Goleta could choose to submit an application to annex Isla Vista or either city could choose to apply for a boundary adjustment, giving high-revenue retail or other land to a new incorporated Isla Vista. This report is focused on the options described above, which could be pursued by Isla Vista voters.

⁶ A CSD can be created under State law through a process governed by the Local Agency Formation Commission (LAFCO) or could be created directly by the State. In this report, the term "LAFCO-route" is used to refer to the process through LAFCO and the term "legislated CSD" refers to a CSD created by State law. Currently, the legislated CSD is exemplified by Assembly Bill 3 "Isla Vista Community Services District" but it could also mean a subsequent version of an Isla Vista CSD at a later time. A legislated CSD could build upon the Isla Vista College Community Services District authorized by state legislation in 1972.

⁷ CSDs are often funded by special taxes. Subdivision (d), Section 1, Article XIII C of the California Constitution states that a "Special Tax" means any tax imposed for specific purposes, including a tax imposed for special purposes, which is placed into a general fund. Special Taxes must be approved by a 2/3rds majority of the qualified voters in the service area, which is usually the jurisdictional area of the local government agency that initiates the Special Tax. Now awaiting a decision by the Governor, the California State Legislature was considering an assembly bill (Assembly Bill 3, Williams) which would form a CSD in Isla Vista and allow the CSD to collect utility users taxes (UUT, if approved by voters). Throughout the report, both Special Taxes and UUT will be evaluated in reference to potential CSD funding. If AB 3 passes, an Isla Vista CSD could receive UUT and Special Tax revenues subject to voter approval; if AB 3 fails, the CSD would need to rely on Special Taxes only.

Service Area Boundaries

The service areas considered are shown in **Figure 1**.

- Service Area 1 Isla Vista Box. This area is about 300 acres, a rectangular-shaped area often referred to as Isla Vista proper, or the Isla Vista "box". This geography is equivalent to the boundaries of the Isla Vista Recreation and Park District and County Service Area #31. It is surrounded by University of California land on three sides and the Pacific Ocean on the fourth side.
- Service Area 2 Isla Vista Box + UCSB. Service area 2 is about 1,100 acres in area and includes all the lands in (1) above with the addition of the University of California land. UC land includes the UCSB main campus, plus the West Campus area, the Devereux Lagoon, Slough, and UCSB areas north of El Colegio Road.⁸ This service area is evaluated in the incorporation analysis because it includes all unincorporated land between the cities of Goleta and Santa Barbara, and the ocean, eliminating any remaining, unincorporated "islands" which is a criterion LAFCO considers in evaluating incorporation proposals. The large boundary increases demand for some services while adding minimal tax revenue, as virtually all of the land is exempt from local taxes.



Figure 1 Two Service Areas Evaluated: IV Box and IV Box +UCSB

The **Red** box area shows Isla Vista proper, corresponding to the boundaries of the AB-3 proposed district, surrounded by UCSB property to the west, north, and east.

The **Green** shaded area shows a more expansive boundary option that includes the unincorporated area adjacent to the City of Goleta and the City of Santa Barbara.

⁸ Note that uses to the west include a storage terminal for oil drilled off-shore, called the Ellwood Marine Terminal. The terminal is inactive and is slated for demolition. All Venoco oil is processed through the Ellwood Onshore Facility in the City of Goleta.

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4. EXISTING CONDITIONS

Isla Vista is an unincorporated, densely populated community adjacent to the cities of Goleta and Santa Barbara and the University of California at Santa Barbara. Its attractive location nestled between the main University campus to the east, campus-owned land and natural areas to the north and west, and the Pacific Ocean to the south draw not only those seeking a residence convenient to the University, but also non-UCSB college aged residents, recent college-grads, and families either working at UCSB or seeking rental opportunities in the County convenient to work locations.

While the population is diverse, the large number of college-aged adults in Isla Vista creates both a positive atmosphere of freedom and community, but also facilitates negative elements including an at-times culture of party-behavior that can become destructive. Isla Vista's situation is further complicated by its unincorporated status, which limits local participation in managing public services and providing needed public improvements.

The lack of a formal local governance structure has contributed to aging and deficient infrastructure, crowded housing conditions, and inadequate oversight of public safety and welfare. While the County government, in collaboration with UCSB and the community, has made significant strides towards addressing these issues, limited resources and other factors hinder significant and continued progress.

Past governance studies and efforts have demonstrated the difficulty of creating a new governance structure in Isla Vista. Challenges include:

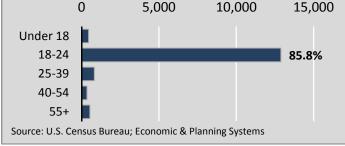
- Low revenue base The community has a minimal amount of revenue-generating uses. For example, it has comparatively few retail uses and no visitor accommodations generating hotel taxes, and thus the community generates limited sales tax revenues and no hotel taxes, which together generally provide a significant share of a typical city's revenues. The larger boundary option considered in this study includes a large share of land owned by UCSB, which is not subject to property taxes or to potential new taxes like utility users taxes.
- **Transient population** A population dominated by students with a typical tenure of two to four years limits significant participation and investment in community affairs. The short-term residency also inhibits development of community leaders willing to take official elected or appointed positions in local government.
- **Dominance of rental housing** Rental housing also contributes to the transitory nature of the resident population with fewer vested interests in the community. On the other hand, the relatively high value of rental property due to student demand and high-density occupancies creates a strong constituency of property owners which tends to favor reduced local land use controls and minimal local taxation.

Demographics

Population

The Isla Vista community encompasses a population of about 24,000 residents, with between 15,000 and 18,500 of that total residing in the Isla Vista Box.⁹ More than 85 percent residents are aged 18 to 24.

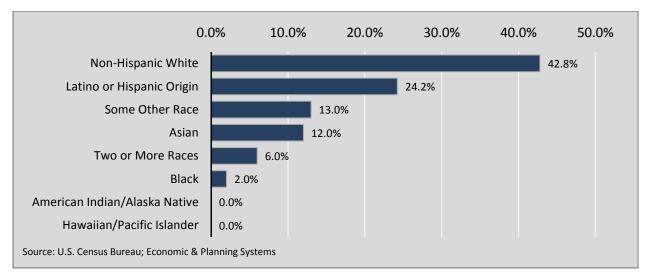




Race

White residents make up a plurality of the population (40 percent), followed in size by residents of Latino/Hispanic-origin (almost 25 percent), Other (13 percent), Asian origin (12 percent), origins including two or more races (6 percent), and African-American/Black origin (2 percent).¹⁰





⁹ More exact population estimates are very difficult to achieve, particularly for the IV Box geography. The 15,000 person resident is based on analysis of Census blocks; the 18,500 estimate is based on EPS's analysis of the built environment in Isla Vista. That is, if every bedroom were shared by two people, up to 18,500 people may reside in the IV Box. The IV Box+UCSB population is from the 2010 US Census. All demographic and housing data in this section are from the Census American Community Survey, 2013-2015 estimates.

¹⁰ All demographics data in this section are from the American Community Survey, 2009-2013.

Income

About 2,800 people (11 percent of the total) live in households with relatives while the other 89 percent live in student dormitories (group quarters) or with housemates. Household incomes are low, driven largely by the dominance of college-students without full-time incomes. Almost 60 percent of the roughly 113 owner-occupied units have combined household incomes above \$100,000 (see **Figures 4 and 5**).

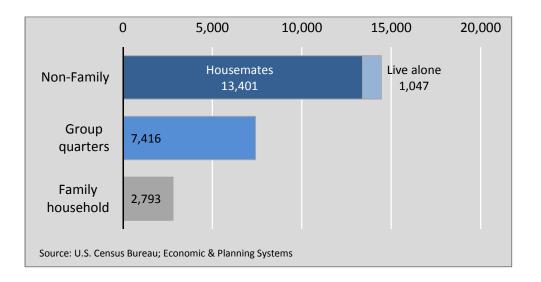


Figure 4 Population by Household Type, Isla Vista, 2013

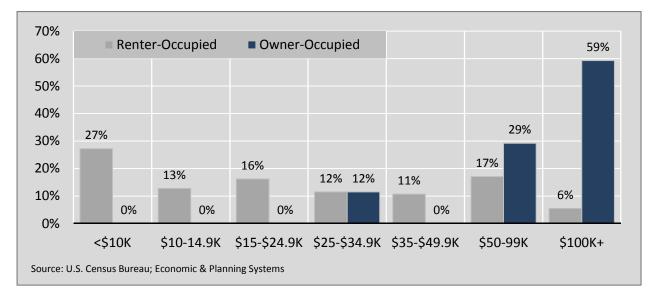


Figure 5 Family Households, by Household Annual Income

Family Income

There are more than 800 family households in Isla Visa with about 2,800 people. About 45 percent of the households earn less than \$35,000, well below the median household income in Goleta and Santa Barbara, \$58,000 and \$63,000 respectively (**Figure 6**).

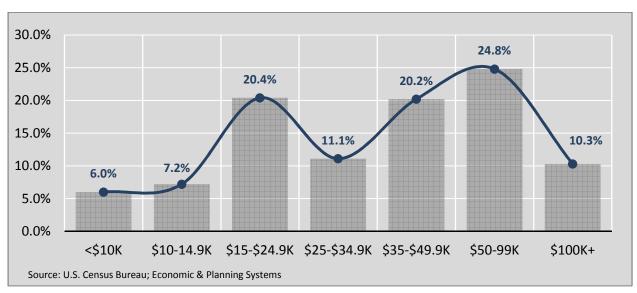
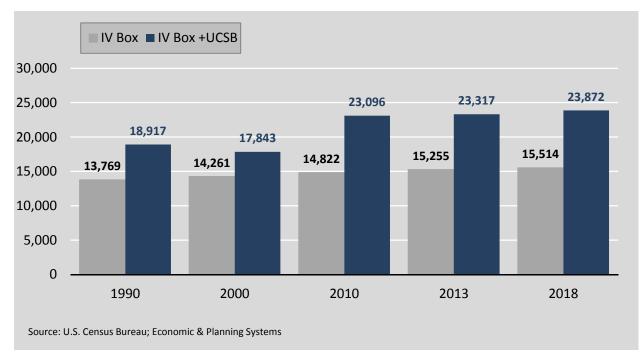


Figure 6 Family HH Income, by HH Annual Income, Isla Vista, 2013

Population Growth

UCSB has been growing at a faster pace than the IV Box, with the Box only accounting for about 34 percent of total growth in the IV Box+UCSB area over the last 20 years (**Figure 7**).





Homeless Population

The latest count of homeless in Santa Barbara County encountered 62 homeless people in Isla Vista; as a point of comparison, 37 people were encountered in Goleta, 18 in Carpinteria, and 116 in Lompoc. The total in Isla Vista and Goleta combined has increased since the 2013 survey and decreased since the 2011 estimate.¹¹

Table 2

Housing Costs

While residents of owner-occupied units reported relatively low housing costs (46 percent reported expenses of \$500 to \$999 per month per unit), a plurality of renter households pay \$1,000 to \$1,499 per month for housing costs. Currently, average rents for a two-bedroom apartment costs approximately \$2,600 (as reported in UCSB's Housing Options – Finding a Place publication.

Item	Households	Owners	Renters
Occupied Housing Units	5,050	113	4,937
Monthly Housing Costs	s per Unit		
Less than \$500	1%	7%	0%
\$500 to \$999	19%	46%	19%
\$1,000 to \$1,499	40%	0%	41%
\$1,500 to \$1,999	19%	25%	19%
\$2,000 or more	21%	22%	21%
Median (dollars)	\$1,391	\$981	\$1,392

Reported Housing Costs

Vehicle Ownership

Isla Vista residents reported owning significantly more vehicles per unit than other renters in the City of Santa Barbara (**Figure 8**). This higher rate of vehicle ownership per unit is a reflection of the higher number of people living in each unit, compared to the City of Santa Barbara. Because off-street parking spaces are provided on a per unit basis, more (people and) cars residing per unit leads to the constrained parking environment in Isla Vista.

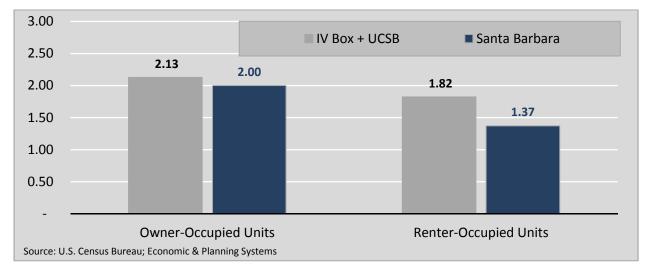


Figure 8 Vehicles per Unit by Unit Type

¹¹ See 2015 Point in Time Count and Vulnerability Survey, community briefing – March 2, 2015.

Land Uses

Land uses in the IV Box service area are predominantly multifamily residential properties and student dormitories, with less than 1 percent of total units consisting of single-family homes. Commercial uses include small-scale retail, restaurants, liquor stores, and a small amount of office space. Isla Vista also includes several not-for-profit locations including the Isla Vista Clinic, Isla Vista Youth Projects, the Isla Vista Teen Center, and religious institutions. The IV Box+UCSB service area includes UCSB's main campus on the east, student housing to the north, and west campus (including faculty housing and the Coal Oil Point Reserve) to the west.

Future Growth

Both the community of Isla Vista and the University of California Santa Barbara have long-range planning documents in place to help guide their future growth (Isla Vista Master Plan 2015, UCSB Long Range Development Plan 2010). With housing prices and unit availability a growing concern for the region, both documents provide the framework to develop new housing.

The Isla Vista Master Plan identifies the maximum residential build-out to include roughly 640 net new housing units, a more than 10 percent increase over existing units in the IV box. Additionally, the UCSB Long Range Development Plan proposes significant growth to the on-campus, housing stock for both students and faculty/staff, including about 5,500 net new student beds (bringing to total to 7,200 beds) and about 2,000 net new units.

Local gains in commercial square footage are expected to increase in coming years in order to meet the needs of the growing population of Isla Vista. According to the Isla Vista Master Plan, commercial square footage is expected to increase from 175,000 to over 215,000, a net increase of over 40,000 square feet.

While intensifying residential and commercial land uses typically leads to escalation in both property and sales tax revenues, much of the intensification in Isla Vista is occurring on UCSB's land, which is exempt from local taxes. Therefore, only a small amount of new sales taxes and property taxes (from new development in the Isla Vista box) is expected to occur due to future growth.

Existing Service Providers

Most of Isla Vista's services are provided by the County and special districts including sanitary, water, fire protection, street lighting, education, parks, and recreation (see **Figure 9** for illustration of total County expenditures by service type, for all of Santa Barbara County). In addition to County and special district providers, UCSB and UCSB Associated Students (UCSB AS) provides or funds key services (some public, some only available to UCSB students) both on- and off-campus. Discussions with Santa Barbara City College indicate its strong interest in further supporting its students residing in Isla Vista.

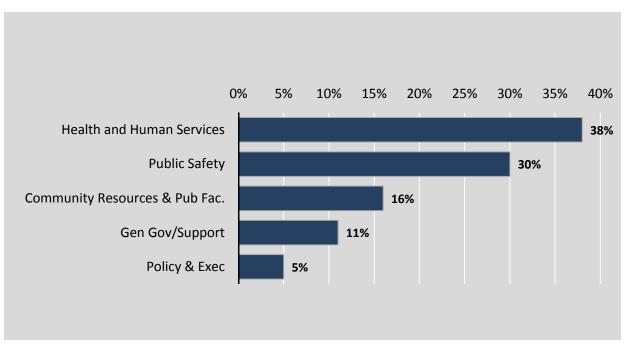


Figure 9 County Functions, Expenditures by All Funds

Table 3 illustrates the existing services and service providers. An indication of the level of funding for services provided in Isla Vista is included for the key service areas relevant to the governance scenarios.

Service Provider	Description
County of Santa Barbara	County of Santa Barbara provides regional services (including, but not limited to, custody, courts, district attorney, public defender, probation, elections, health, welfare, etc.) to all County residents.
	The County also provides local , municipal services such as land use planning and regulation, animal control and law enforcement, among others, to the Isla Vista area and to the students living on-campus.
	These services are funded by revenues from the County general fund such as property taxes, sales taxes, State subventions and charges for service.
	 Scale of services: \$6-\$9 million per year in regional services and ¹² \$6 million per year in local services¹³ Funded from County's share of property taxes and other general revenues
County Service Areas	There are two County Service Areas (CSAs), managed by the County, serving Isla Vista: CSA 31 and CSA 3. CSA 31 services more than 250 streetlights in Isla Vista funded through benefit assessments. CSA 3 helps fund library services.
	Scale of services: \$55,000 for streetlights; \$4,200 for library Funded from special assessment and property taxes
Isla Vista Recreation and Park District	Formed in 1972, the Isla Vista Recreation and Park District (IVRPD) provides recreation and park services within the IV Box area. It is governed by an independent Board of Directors elected by District residents. The District is primarily responsible for park and open space maintenance, as well as recreation programs. The District maintains over 70 acres of parks and supports child recreation programming, including after-school programs; habitat restoration and demonstration projects; community gardens; and community festivals, fairs, and concerts.
	Scale of services: \$1.3 million per year Funded primarily from assessments and property taxes
UCSB	UCSB's services applicable to Isla Vista include UCSB police which patrol on-campus, funding for Isla Vista Foot Patrol personnel, and funding for paramedic and fire services on-campus, among others. UCSB also provides an array of services to students including health care, alcohol and drug programs, mental health counseling, career counseling, and tenant mediation services, among others. About 40 percent of students live on-campus, in UCSB housing. ¹⁴
Santa Barbara County Fire Protection District	The County Fire Protection District (SBFPD) provides fire protection and emergency services to much of the unincorporated County, including the Isla Vista area. The District is governed by the Board of Supervisors and receives funding from property tax. No change is assumed to the District or its services as a result of governance changes in Isla Vista.

Table 3 Existing Public Service Providers

¹² Range provided is equal to the estimate for the IV Box versus the IV Box+UCSB. Estimate based on review of County budget and discussions with staff. Based on per capita expenditures for regional, countywide services.

¹³ Only one estimate is provided here for the IV Box, as the County spends little directly on-campus (other than on fire protection, discussed below).

¹⁴ See Appendix F for details on UCSB activities in Isla Vista. County of Santa Barbara and Santa Barbara City College provided descriptions of services in Isla Vista are summarized in Appendix G.

Table 3 continued

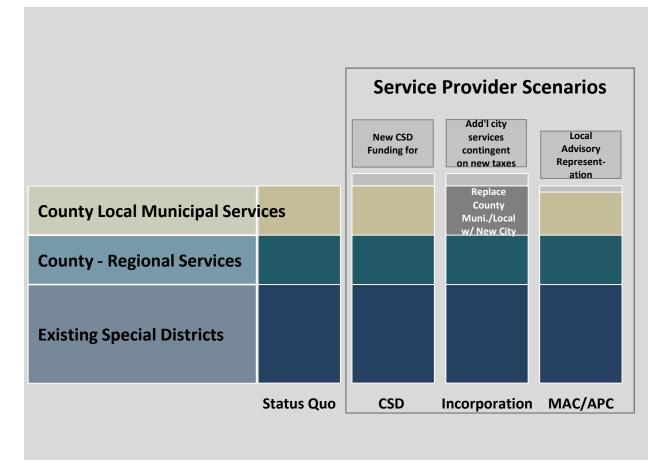
Service Provider	Description
Goleta West Sanitary District	The Goleta West Sanitary District (GWSD) provides sewer services to the Isla Vista area and a larger area west of La Patera Road. Sewage collected by GWSD is treated by the Goleta Sanitary District. The District also is responsible for street sweeping services in Isla Vista four times a month.
Goleta Water District	The Goleta Water District (GWD) provides water supply to a 33,000-acre area including the Isla Vista community. The Water District is governed by an independent Board of Directors elected by the District residents. The District receives funding from service charges, one-time water supply charges, and interest on investments.
Goleta Union School District	Goleta Union School District (GUSD) serves approximately 3,700 students in nine neighborhood elementary schools in the Goleta Valley, including the City of Goleta and a large swath of unincorporated area, including the Isla Vista area. GUSD operates Isla Vista elementary school, which serves approximately 516 students from preschool to sixth grade. While English Language Learners in the District overall account for about 28 percent of the student body, they make up 47 percent of the Isla Vista Elementary School population. GUSD is a basic aid district, or community funded district, which occurs when local property tax exceeds minimum funding levels set by the State. The District has a five-person, at-large Board of Trustees.
MTD Santa Barbara	The Santa Barbara Municipal Transit District (SBMTD) provides fixed-route bus and shuttle service to Santa Barbara, Isla Vista, Goleta, Ellwood, Montecito, and Carpinteria along 23 routes. Isla Vista is served by the Isla Vista Shuttle from UCSB to Camino Real Marketplace (Line 27), Line 15x to SBCC through the City of Santa Barbara and Line 24 to Goleta. The District has a seven-member Board of Directors. SBMTD receives funding from passenger fares, Federal Transit Administration grants, and Transportation Development Act – Local Transportation Fund sales tax revenue.

Figure 10 and **Table 4** illustrate how these providers may change under the three scenarios evaluated in this report, generally as follows:

- **CSD and MAC scenarios.** Nearly all of the services provided by existing service providers would remain unchanged. The CSD Board would provide additional services. The MAC would provide input on County expenditures and programs in Isla Vista.
- Incorporation. All municipal services (and municipal revenues) provided by the County and County Service Area (CSA) functions would be taken over by the incorporated City while other providers would remain unchanged.¹⁵

¹⁵ County Service Areas (CSAs) are areas typically within unincorporated areas of counties, formed by more than 50 percent of registered voters within the area, supporting formation. Through CSAs, the County Board of Supervisors can put additional taxes to a vote and provide additional services to residents. The key CSA operating in Isla Vista is CSA 31. Other CSAs also intersect the IV Box+UCSB areas (CSA 3 and CSA 32) but the tax exempt status of much of that land results in little revenue generated from those areas to these other CSAs.





Service Provider	Community Services District	New City	Municipal Advisory Council/ CSA#31 and/or Area Planning Commission	
Service Areas Evaluated	IV Box	IV Box and IV Box+ UCSB	IV Box	
Existing Providers	Treatment of Services/Providers in Each Scenario			
County of Santa Barbara	No Change. CSD services are provided in addition to existing County services.	County ceases provision of municipal services except by contract with City; continues Countywide services it provides to all incorporated cities and unincorporated areas	MAC makes recommendations to County Board of Supervisors on topics relating to local services; APC replaces County Planning Commission on Isla Vista land use matters.	
County Service Areas (CSAs)	No Change	Detach from relevant CSAs and take over revenues and services	MAC makes recommendations related to CSA #31 spending priorities; May recommend increase in CSA tax rate to be put to voters	
Isla Vista Recreation and Park District	No Change	No Change	No Change	
UCSB	No Change	No Change	No Change	
Santa Barbara County Fire Protection District	No Change	No Change	No Change	
Goleta West Sanitary District	No Change	No Change	No Change	
Goleta Water District	No Change	No Change	No Change	
Goleta Union School District	No Change	No Change	No Change	
MTD Santa Barbara	No Change	No Change	No Change	
New Services				
New CSD, City or MAC/APC	CSD administers additional services through funding from a Utility User's Tax and/or Special Tax	If surplus revenues are available, City can provide increased or new services, which may require additional funding from a Utility User's Tax or Special Tax	MAC provides Isla Vista-based commission to provide community input and recommendations to the Board' APC replaces County Planning Commission on Isla Vista land use matters.	

Table 4 Summary of Governance Options and Treatment of Existing Service Providers

Nonprofit Service Providers

Table 5 summarizes the myriad of non-governmental service providers providing services within Isla Vista.

Table 5 Nonprofit Service Providers

District/Organization	Services Description	Est. Annual Expenditures (if available)
AS Bike Committee	The A.S. Bike Committee shall prioritize expenditures of funds collected from the A.S. and Graduate Students Association Bicycle lock-in fees. The Committee shall be responsive to student input related to bicycle paths and bicycle parking at UCSB. Finally, the Committee shall be an active bicycle system advocate, and shall take all reasonable steps to increase student, staff, faculty, and administration awareness of bicycle system issues.	not available at time of publication
AS Coastal Fund	 THE COASTAL FUND (CF) shall provide funds to preserve, protect, and enhance the terrestrial and marine habitats associated with the shoreline of the University of California, Santa Barbara through preservation, education, open access, research, and restoration. THE COASTAL FUND (CF) shall provide funds to preserve, protect, and enhance the terrestrial and marine habitats associated with the shoreline of the University of California, Santa Barbara through preservation, education, open access, research, and restoration. THE COASTAL FUND (CF) shall provide funds to preserve, protect, and enhance the terrestrial and marine habitats associated with the shoreline of the University of California, Santa Barbara through preservation, education, open access, research, and restoration. THE COASTAL FUND (CF) shall provide funds to preserve, protect, and enhance the terrestrial and marine habitats associated with the shoreline of the University of California, Santa Barbara through preservation, education, open access, research, and restoration. 	not available at time of publication
AS Community Affairs Board (CAB)	The AS/UCSB Community Affairs Board (CAB), UCSB's Volunteer Action Center, is dedicated to enhancing the educational experience of all UCSB Students by providing information and easy access to community service work. Through a wide range of projects and community programs, CAB seeks to augment classroom experiences, create opportunities for career exploration, connect UCSB to the community in a meaningful way, and promote the ethics of public service.	not available at time of publication
AS Environmental Affairs Board (EAB)	The Environmental Affairs Board (EAB) is a branch of UCSB's Associated Students Government and is the largest and most active environmental group on campus. The charge of EAB is to protect, preserve and enhance the environment, principally at UCSB and its surrounding communities. We focus on ecology, energy, food, climate change, water policy and conservation, the economy, environmental justice and other issues. We coordinate and coalition-build with other groups to promote environmental perspectives and sustainability throughout the University and its surrounding communities, as well as at the state, national, and global level.	not available at time of publication
AS External Vice President for Local Affairs (EVPLA)	The Office of the External Vice President for Local Affairs has represented the interests of undergraduate UCSB students to Santa Barbara County and the local community for well over a decade. The AS EVPLA advocates on behalf of nearly 19,000 UCSB undergraduate students – pushing for a greater inclusion of students and the Isla Vista community in local political decision-making and encouraging students to take an active role in local affairs.	not available at time of publication
AS Food Bank	The Associated Students Food Bank is a student run and student led service at the University of California, Santa Barbara. Our primary focus is ensuring friendly, confidential service to UCSB students in need of food and toiletries. As a comprehensive and holistic service, we also provide resource referral to students, educational and skill based workshops, and other tools and resources.	not available at time of publication
AS Isla Vista Community Relations Committee (IVCRC)	IVCRC is an Associated Students committee that works to promote and educate the Isla Vista community as a whole by nurturing the relationships between the long-term and short-term residents. In addition, IVCRC funds on-campus and off-campus groups that work to improve the community. IVCRC is a committee filled with active and passionate students who wish to bring the Isla Vista Community as a whole together.	not available at time of publication
AS IV Tenants Union	The Isla Vista Tenants Union (IVTU) is an organization serving the interests of Isla Vista tenants. We recognize the diversity of our community, and we strive to meet the different needs of our members while uniting our common interests as tenants. We educate tenants on their rights and responsibilities, and we act as a resource when problems occur. We believe people should live without the suffering that arises from discrimination, retaliation, or neglect. We reach out to property managers, the University, elected officials, local groups and individuals to realize our vision and address pressing tenant issues. In providing a service to the tenants of Isla Vista, we also hope to build a united, educated, and proactive community.	not available at time of publication
AS KCSB (91.9 FM)	A non-commercial, educational FM station broadcasting for the public interest, KCSB enters into no commercial contracts which allow access to the airwaves and it strives to provide programming substantially different from that carried by commercial broadcast media. It is also designed to be educational for both programmers and listeners. UCSB students and other programmers are provided an opportunity to learn the fundamentals of radio broadcasting, both technically and in terms of broadcast content, and to explore more advanced aspects of broadcasting and the audio medium.	not available at time of publication
AS Legal Resource Center (LRC)	Our mission at the ASLRC is to assist students in responding to legal problems that may be interfering with academic studies or otherwise adversely affecting their well-being. All consultations are strictly confidential. An ASLRC Attorney will be able to talk with students on legal matters, including, but not limited to, landlord tenant disputes, criminal citations, contracts, personal injury matters, consumer complaints, credit and debt problems, family law, traffic tickets, employment problems, and immigration. ASLRC also has over 50 self-help law books written for the layperson available to view.	not available at time of publication

Table 5 continued

District/Organization	Services Description	Est. Annual Expenditures (if available)
AS Pardall Center	The Associated Students Pardall Center, in the heart of Isla Vista, serves the UCSB and Isla Vista community. On the first floor, we host individual study spaces, group work areas, computer and basic printing facilities along with meeting spaces/times available for those needing a space to congregate. Also on the first floor is the Self Help Legal Center. On the second floor, the AS Legal Resource Center and Isla Vista Tenants Union provide services to UCSB students and the community.	not available at time of publication
AS Program Board	AS Program Board organize concerts, lectures, films, and other cultural events for the UC Santa Barbara community.	not available at time of publication
AS Public Safety Commission	The UCSB AS Public Safety Commission works to increase the level of safety throughout Isla Vista and the UCSB campus. The commission focuses on all safety issues concerning the student body as well as increasing student relations and communications with Isla Vista Foot Patrol, California Highway Patrol, UC Police Department, and the Office of Student Life in a positive manner. To help accomplish such improvement of relations and communications, the commission organizes projects and campaigns pertaining to public safety.	not available at time of publication
AS Queer Commission	The A.S. Queer Commission serves as an educational and advocacy forum for Lesbian, Gay, Bisexual, and Transgender (LGBT), Queer, and Intersex (LGBTQI) student's rights, with a commitment to representing and improving the status of LGBTQI students on campus and in the community.	not available at time of publication
AS Rally Committee	The A.S. Rally Committee is a student funded, student-run campus organization dedicated to supporting UCSB's athletic community. The Committee will work to increase Gaucho pride and foster an increased sense of community throughout the UC Santa Barbara student population.	not available at time of publication
AS Senate Finance and Business Committee	The charge of the AS Finance and Business Committee is to help registered student organizations put on successful events on campus and in Isla Vista, provide necessary student services, hold conferences, and fund championship aspiring teams through the procurement of funds.	not available at time of publication
AS Take Back The Night	The charge of the Associated Students Take Back the Night committee is to raise awareness about issues surrounding sexual violence through activism, advocacy, and survivor empowerment. It aids survivors in finding and demonstrating their empowerment, provides a forum for survivors and allies alike to make their voices heard, and creates an environment in which survivors of sexual violence can begin to heal.	not available at time of publication
Associated Students (AS)	The Associated Students (A.S.) of the University of California, Santa Barbara is a non-profit organization and a department of the UCSB campus, funded by undergraduate student fees. Through elected student positions and appointments we voice student concerns and express student opinion to the UCSB administration, UC system, our community, and state and local governments. We have dozens of boards, committees, and commissions that are organized and funded through A.S. to enrich student life and give students services and opportunities not offered by the administration. Our mission is to help students uphold the high academic standards and give them leadership, employment, cultural and growth opportunities to serve the campus community.	not available at time of publication
Friendship Manor	Friendship Manor serve seniors over the age of 62, and provide a unique niche to those who want to live independently and are in need of simple services. Friendship Manor provides a home with comfortable surroundings, which reinforce self-respect, self-esteem, and the dignity of aging.	\$2,158,031
GIVE	GIVE is an annual sale after UCSB students move out. Proceeds are distributed to Isla Vista non-profits and projects.	\$20,000- \$25,000
Hillel	Hillel's vision is to create a community in which every student has the opportunity to make an enduring commitment to Jewish life, learning, and making the world a better place. Hillel offers a wide variety of programs to Isla Vista residents, which include cooking competitions, dance parties, arts and crafts, trips to Israel, social actions and fundraisers to help those in need.	not available at time of publication
Isla Vista Church	Isla Vista Church formally began in September of 2002 when a group of students met in the front yard of the ministry house at 6686 Del Playa Drive. Since then, members of the congregation grill and hand out burgers to passers-by on Del Playa each Friday night. In the Summer of 2011, the Isla Vista House of Prayer (IHOP) was created to give the people of Isla Vista the chance to experience intimacy with God, and incorporate prayer and unity amongst the ministries in the area. As the church and ministry expands, IVHOP is developing and growing.	\$7,500
Isla Vista Community Network	Participants of the Isla Vista Community Network strive to build and strengthen relationships with one another, share information, resources, and initiate cooperative action in response to current and emerging needs in Isla Vista. This organization operates without a budget, and is sustained by volunteers.	not available at time of publication
Isla Vista Neighborhood Clinic	Santa Barbara Neighborhood Clinics (SBNC) is dedicated to providing a variety of important programs to the Isla Vista community. The majority of SBNC patients are below the federal poverty level and qualify for most of SBNC's programs. In an effort to remove barriers to care, sliding free discount programs are available based upon family income Health Information Privacy, Family Planning Access Care Treatment, Medi-Cal CenCal Health Cap, State Medi-Cal or Class II Medi-Cal, Medicare, and CHDP Child Health & Disability Prevention.	\$1,315,464
Isla Vista Property Owner Association	Funded in 1968, the Isla Vista Property Owner Association is a collaborative of property management companies and single property owners. As a group, the organization makes political, economic, environmental, and social decisions that may have an impact on property values.	\$500-\$1,500
Isla Vista United	Isla Vista United was created by Isla Vista Screen Printing to raise funds for the improvement of Isla Vista following the May 23rd tragedy. Funds were distributed by Santa Barbara Foundation to community organizations in Isla Vista.	\$20,000

Table 5 continued

District/ Organization (1)	Services Description	Est. Annual Expenditures (if available)
IV Community Development Corporation	Isla Vista Community Development Corporation (IVCDC) aims to encourage community ownership and decision- making with regards to community spaces and buildings. IVCDC makes itself available to all community members seeking to write grants and proposals, and provides any other advice on the processes of community ownership. IVCDC has a long history of providing support to community agencies within Isla Vista and attempts to be a part of the process in building the Isla Vista community from within.	\$3,000
IV Food Co-Op	Isla Vista Food Cooperative (IVFC) mission is to provide the residents of Isla Vista and neighboring communities of Santa Barbara County with reasonably priced foods, products and services that promote a healthier lifestyle. The IVFC is an economic alternative founded on cooperative business principles. Its operation and governance policies are based on their housing cooperative values. IVFC provides resources for food stamp programs such as CalFresh and provides food accessibility through tours, classes, workshops, work-study positions and internships. In addition, free wellness classes are provided at UCSB Residence Halls and at the IVFC. Outreach is conducted through on- campus tabling and handing out free food during mid-terms and finals. Events include free movie night, community dialogue meetings, among others. IVFC offers a Sunflower Kid's Club with local produce and family activity days, and provides tours of elementary schools.	\$45,000
IV Teen Center/YMCA	Isla Vista Teen Center provides counseling, as well as a safe and fun alternative space for teens during the high risk after-school hours. The center also provides leadership, mentoring, recreation services as well as health and fitness training.	\$178,000
IV Youth Projects/IV THRIVE	Isla Vista Youth Projects, Inc. strengthens the Isla Vista community through diverse education, recreational and social programs for children and families regardless of income. Such services are provided through the Children's Center, After School & Summer Program, Family Resource Center and THRIVE Isla Vista.	\$1.9 million
Santa Barbara Rape Crisis Center- SACE Isla Vista Program	Santa Barbara Rape Crisis Center - SACE Isla Vista Program attempts to mitigate the trauma of sexual assault and works towards the elimination of sexual violence. SACE Isla Vista will crate a space where community members can engage in discussions that allow them to reflect on the realities of sexual assault. This program will provide support and psycho-education to sexual assault survivors to allow them to heal from the trauma of an assault. In addition, the program will teach coping skills, increase self-esteem, and restore power and control over decision-making.	\$45,000
Santa Barbara Response Network	The mission of Santa Barbara Response Network is to provide emotional support after a crisis, as well as referrals to counselors and psychologists. The Network trains and empowers community members on how to perform psychological first aid after a crisis. Over 500 counseling hours were provided to Isla Vista residents after the May 23rd, 2014 tragedy.	\$10,000
Santa Barbara Student Housing Coop	The purpose of the Santa Barbara Student Housing Co-op (SBSHC) is to provide low-cost housing for students, staff, and faculty of the University of California at Santa Barbara. SBSHC is a democratic organization whose earnings and assets belong to its members. In addition, SBSHC strives to engage in continuous educational programs that further the principles of cooperation through mutual, self-help living at a minimal price. SBSHC owns four houses ranging from 13 to 18 members and an apartment complex housing about 27 members.	\$637,109
St. Mark's University Parish	St. Mark's focus is on faith, fellowship and friends. Many of their programs are in English and Spanish, and is staffed by volunteers. Programs include spiritual retreats, communion preparation and social events, whereby students are provided an opportunity to get to know each other and build their faith together. Other services include the free lunch and shower program for the houseless. This program is provided once a week and offered to anyone who is in need of food and showers.	\$15,000
St. Michael's Campus Ministry at UCSB	St. Michaels is an intentionally inclusive and multi-generational congregation and campus ministry. Their mission is to serve people pursuing spiritual, social transformation, justice and compassion. St. Mike's hosts various programs which include brunches for UCSB and SBCC students struggling with issues of food insecurity, yoga classes, a dinner for the houseless, a meditation group and alcoholic anonymous meetings, among other programs.	\$10,000
United Methodist Church	United Methodist Church s a community of faith that welcomes everyone; the Church celebrates the diversity of the human family accepting all people unconditionally without reservation.	not available at time of publication
(1) All information provided by Study	Oversight Committee members	

(1) All information provided by Study Oversight Committee members.

5. CSD PLAN OF SERVICE

A new CSD will be empowered to provide a range of public services, supplementing services currently provided by the County and other public and nonprofit service providers, and could include increased community policing, building code enforcement, public facility maintenance, parking and parking management programs, tenant services, and community and economic development/wellness programs. As described below, a Utility Users Tax (UUT) as authorized for a legislated CSD, or the equivalent in new special taxes to a LAFCO-created CSD, could fund CSD administrative costs and provide an estimated maximum of \$255,000 annually for supplemental services. Voter approval of higher special taxes could further increase CSD-provided services. The CSD could also support the operations of a Municipal Advisory Committee (MAC) which is described in a subsequent chapter, as well as an Area Planning Commission (APC) to provide an advisory role to the County regarding existing County-provided services to Isla Vista, and land use authority over Isla Vista planning issues.

All existing services currently provided by the County, IVRPD, UCSB and other utilities and agencies are assumed to continue unaffected by a new CSD.

Potential Revenues

Because AB-3 is law, a UUT will be put before the Isla Vista voters. If a CSD is not formed through AB-3, residents could petition LAFCO to put before the voters the formation of an IV CSD, funded by special taxes on taxable parcels within the District.¹⁶ In either case, a two-thirds voter approval will be required for adoption of the taxes.

Utility Users Tax

The utility users tax estimated (**Table 6**) includes a tax between 5 and 8 percent on water, sewer, electricity, natural gas, and garbage bills in the IV Box geography.¹⁷ **Figure 11** illustrates the proportion of billings represented by each utility.

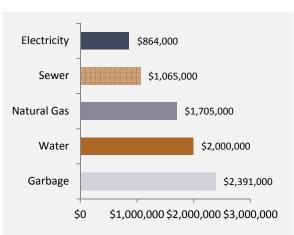


Figure 11 Utility Billings, IV Box

¹⁶ A CSD formed by AB-3 could also put a special tax to a vote; the special tax would be collected in addition to the UUT. While this is a possible future scenario, no additional special taxes are assumed; the analysis shows fee amount of special taxes equivalent to the UUT applicable for a non-AB-3 CSD. Potential special taxes to an AB-3 CSD are shown separately from potential UUT revenues.

¹⁷ Estimated UUT for the IV Box and IV Box+UCSB are not appreciably different because UCSB property is not subject to local taxes, including the UUT. Note that other utilities could also be charged a UUT, including cable television, telephone, and internet-based video subscription services (such as Netflix, Hulu, Amazon Prime, etc.). Taxing these utilities may generate limited additional revenue, at least initially, as laws have been slow to keep up with technology, thus many cities have been unable to collect taxes on these newer providers.

The tax estimate includes an anticipated exemption from UUT for low-income residents.¹⁸ Also, no UUT is estimated as being derived from UCSB-owned property within either of the two geographies.¹⁹ The total estimate indicates a UUT generation rate of about \$25 per capita; this is a relatively low generation rate when compared to the City of Santa Barbara (generates about \$155 per capita but in the range of taxes generated by the City of Guadalupe (\$32 per capita).²⁰

Table 6 UUT Estimate

Item	IV Box and IV+UCSB Service Areas		
	Total	Annual Tax Revenue	
	Billings (1)	5%	8%
Utility			
Garbage	\$2,391,000	\$119,550	\$191,280
Water	\$2,000,000	\$100,000	\$160,000
Natural Gas	\$1,705,000	\$85,250	\$136,400
Sewer	\$1,065,000	\$53,250	\$85,200
Electricity	\$864,000	\$43,200	<u>\$69,120</u>
Total	\$8,025,000	\$401,250	\$642,000
UUT Tax Deductions			
Low Income Exemption (2)	(\$1,200,000)	(\$60,000)	(\$96,000)
State-owned Exemption (3)	<u>(\$91,000)</u>	<u>(\$4,600)</u>	<u>(\$7,300)</u>
Total	(\$1,291,000)	(\$64,600)	(\$103,300)
Net Total	\$6,734,000	\$336,700	\$539,000
Additional Deduction - UCSB Purchase of Tropicana Gardens			
Net total, after 5% Discount (4)		\$320,000	\$512,000

*Totals may not add due to rounding.

(1) Reflects actual billings, over a one-year period, for the IV Box geography from the utility providers. This same total is used for the larger IV Box+UCSB because virtually all utility consumption on UCSB land would be exempt from a new UUT.

(2) Estimate based on the proportion of households in Isla Vista currently enrolled in Southern California Edison's reduced electricity rates for low-income household program, approximately 15 percent.

(3) This deduction is estimated based on the number of units owned by UCSB in the IV Box and the estimated UUT per capita. This deduction does not take into account the recent purchase of about 1,000 beds by UCSB at the Tropicana Gardens complex. Note that contributions from UCSB have been committed, to a CSD formed under pending AB-3 legislation, from 2017 through 2024 of as much as \$200,000 per year (see Appendix E).

(4) When Tropicana Gardens property becomes exempt from local taxes, the UUT-taxable portion of the population will be reduced by about 1,000 people, a reduction of between 5 and 6.5% of the population, depending on whether the estimated 15,500 or 18,000 people is correct. A rounded, 5% reduction is applied in this estimate.

Sources: The following utility providers gave data on 2014 billings in the IV Box Geography:

Sempra Energy Goleta Water District MarBorg Industries Southern California Edison Goleta West Sanitary Sewer

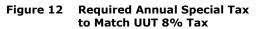
¹⁸ The exemption level is estimated based on Southern California Edison's current enrollment in existing programs for low-income households including California Alternate Rates for Energy – CARE – and Family Electric Rate Assistance – FERA.

¹⁹ Cities around California do not charge UUT on publicly-owned land, based on case law on the matter. See League of California Cities document providing guidance on intergovernmental fiscal immunity, accessed August 2015: http://www.cacities.org/UploadedFiles/LeagueInternet/0f/0fd5bdf4-d21b-4338-a9d4-f9b2d9d2da1f.pdf

²⁰ The tax generation rate for Isla Vista is expected to be more in line with that generated in Guadalupe rather than the City of Santa Barbara, which collects the tax from a variety of non-residential uses including many types of retail, commercial and hotel uses.

Special Tax

The level of CSD special tax will be determined during a CSD petition to LAFCO, in the case of a LAFCO-route CSD. To illustrate a new potential level of a special tax, **Figure 12** illustrates a residential and non-residential parcel tax which, if implemented, would generate about \$512,000 annually. These parcel taxes were estimated to approximate the total annual taxes to the UUT which could be available to a CSD formed through the legislative route.²¹





CSD Services and Cost Estimates

The types of services which may be provided through a CSD are illustrated in **Figure 13**. All services will ultimately be decided upon by the locally elected CSD Board Members (and appointed members in the case of an AB-3 CSD). The scenarios in this section describe a "base" level of enhanced services—drawn from the priorities discussed during dozens of community meetings during spring and summer 2015—and the range of potential costs.²² An "expanded" level of services is also included, above the base, which could be selected with higher levels of taxation.²³

Actual services, contracts, and costs would be determined following formation of the new CSD and will depend on available revenues and community priorities and preferences.



Figure 13 Potential CSD Services

²³ See **Appendix A** for description and cost estimate for Base and Enhanced levels of service.

²¹ As a comparison, IV residents currently pay about \$95 per bedroom and about \$10 per residential unit, per taxes passed for IVRPD in 1984 and in 1997.

²² Note that AB-3 (as of the date of this report) provides the CSD with powers to finance and operate a MAC to advise the County Board of Supervisors and an area planning commission, with binding land use powers; create a tenant mediation program; create and operate a parking district; contract with County or UCSB for public protection, abate graffiti, and create or improve capital facilities including community facilities and street infrastructure.

Table 7 provides a summary of services and cost estimates to provide the services (see **Appendix A** for further details). The services are described below.

- Management and Administration. The CSD Board and management staff will provide local representation to focus resources on Isla Vista needs and community priorities, with support staff to manage public engagement, activities, studies, and contracts for services. This category includes costs for Board member stipends, management staff compensation, and overhead costs (office rent, office equipment, and insurance).
- **Public Safety.** Additional public safety resources could improve the safety of residents and visitors through increased, proactive community patrolling and policing and related programs. The "base" service level includes costs for non-sworn personnel patrols in which employees, potentially college students, provide residents warnings when a complaint is lodged with the sheriff's department, and identify problem areas during patrols of the area which could be addressed by other CSD program-areas (problem-areas might include identifying: graffiti requiring abatement, hazardous conditions like broken streetlights, or key areas requiring clean-up). Sheriff deputies can then respond if needed to events that do not comply with the noise warning. These additional patrols are likely to result in additional revenue to the County from citations.

Further enhancements to this service could include retention of a community service officer, specialized training for County sheriff and UC police, and coordination with UCSB to link on-campus training for students with off-campus citations.²⁴

- Building Inspection and Code Enforcement. Some of the conditions of buildings in Isla Vista require upgrades and house more residents than are permitted by building codes. Additional building inspection and code enforcement services would identify and remedy improper occupancy, unpermitted construction, hazardous or insanitary conditions, and deteriorated or defective building components. One full-time equivalent is included in the base case for the CSD. A CSD Board may also consider advocating for a rental inspection program in the County, which would largely self-fund these activities through rental inspection fees which would free up CSD-revenues for other programs.²⁵
- **Public Works.** Improvements in the maintenance of public facilities and infrastructure are another service a CSD could administer. Public works services provided by the CSD may include planning, implementation and maintenance of infrastructure and public facilities. In the "base" level of services, the CSD is assumed to contract with the County for increases in maintenance personnel for graffiti abatement and trash collection. The CSD may also contract with the County for grant-writing to obtain funds for sidewalk construction/traffic calming improvements, bluff fencing, and staff-time to manage and fund consultant work on a parking program. Note that, if a parking program is instituted, it may eventually generate significant revenues from off-street parking, but initial parking studies, program planning,

²⁴ The EPS team reviewed programs in San Luis Obispo and the City of Boulder in collaboration with University of Colorado at Boulder, and interviewed UC police personnel. See Appendix J for details on public safety programs around the two campuses.

²⁵ Rental inspection programs require all landlords of rental units within the jurisdiction to register and allow inspection of their property. After an initial inspection, many programs allow buildings without enforcement issues to "self-certify". While most rental inspection programs operate in cities, Contra Costa and Sacramento counties both have rental inspection programs for rental properties in their unincorporated areas.

and public outreach will require expenditures on consultant efforts. Efforts to plan for improvements in Isla Vista may be leveraged to seek County funding, grant funding or additional taxes from the voters to construct capital improvements in Isla Vista. An "expanded" level of services would devote a higher proportion of the CSD's budget to public works in order to fund the types of capital improvements required in the community.

- Tenant Services. A rental mediation program is a desired service in Isla Vista to resolve rental housing disputes through information (related to tenant and landlord rights and responsibilities) and mediation as an alternative to court proceedings. The "base" level of service includes costs for the CSD to contract with the City of Santa Barbara's Rental Housing Mediation Program.²⁶
- Community Health and Economic Development Programs. An array of community health and economic development programs could be supported by the CSD. These include expansions to programmatic services like mental health services, job training, and job placement and community facility expansions like a community center or library branch. Capital facilities would require new taxes to fund a bond and are not specifically analyzed in this report. Expansions in existing programs—such as increasing the hours of the Isla Vista Clinic to include nights and/or weekends or adding services like mental health care to the Clinic—would provide enhanced community wellness services. The "base" service level includes a half-time grant writer, who can match available funding with community needs.²⁷ Note that part of the duties of the CSD administrative staff will likely include coordination with the County to assist in scheduling rooms in the community center building in Isla Vista, the renovation of which is funded through the County's 2015-2016 fiscal year budget.
- Municipal Advisory Council. A Municipal Advisory Council may be formed by an Isla Vista CSD, under AB-3.²⁸ A MAC would cost relatively little to operate and could even be comprised of the CSD board members themselves.
- **Area Planning Commission.** An Area Planning Commission (with binding land use powers in the District) may also be formed by an Isla Vista CSD, were AB-3 to be signed into law. An APC would require additional staff time from County planners. However, County planning fees and charges are likely to cover a large portion of the incremental costs for staffing an Isla Vista APC. Therefore, only a small allocation from the CSD budget would be needed to operate an APC.

²⁶ The County of Santa Barbara contracts with this agency for a limited array of services including phone counseling. The CSD service would include access to professional mediators. Costs for this service have been estimated based on the funding provided to the entity by the City of Santa Barbara, relative to the number renter-households in the City.

 ²⁷ Enhanced services could include organizing work programs for homeless or other residents in need of work, such as Downtown Streets Teams in Palo Alto and San Rafael which employs homeless residents in street cleaning and other community services efforts.
 ²⁸ In any case, the County could create a MAC and/or an APC.

Table7 shows these services and cost estimates, compared with potential UUT revenue. As shown, the estimated maximum UUT is used first for governance and administration. About \$255,000 remains for specific services. Note that UCSB has committed to provide \$200,000 annually to services or improvements in Isla Vista between 2017 and 2024, which could be provided to the CSD or used in partnership with CSD services. In addition, some services and public works could be, in part or whole, funded by grants from other government agencies, user fees, and non-profit contributions.

CSD Revenue/Functions (1) Revenues and Fixed Costs	Total
Estimated Maximum UUT @8% Tax Rate (exemption deducted)	\$512,000
 Local Governance, Management, and Administration 1.5 FTEs Office equip, rent, insurance, contingency \$55,000 misc. budget for services/ legal 	\$257,000
Revenues Remaining for Other Services	\$255,000
Other Revenue (UCSB annual contribution to AB-3 Legislated CSD, committed between 2017 and 2024)	\$200,000
Menu of Other Services	
Public Safety	
 Non-sworn personnel patrol 	\$105,000
(less) citation revenue	<u>(\$30,000)</u>
Net cost	\$75,000
Building Inspection/ Code Enforcement	
• 1 FTE	\$120,000
Public Works	
 1 FTE + periodic prof. services 	\$125,000
Tenant Mediation	
 Additional contract with the City of Santa Barbara's Rental Housing Mediation Program for full range of services 	\$30,000
Community and Economic Development Programs	
• 0.5 FTE grant writer	\$50,000
Municipal Advisory Council	
 Minimal costs, MAC members may or may not also be CSD Board members. 	\$3,000
Area Planning Commission	
 Minimal costs, APC members may or may not also be CSD Board members. 	<u>\$3,000</u>
Illustrative Total, Menu of Other Services	\$406,000

Table 7 CSD Potential Revenues, Fixed Costs, and Menu of Other Services

(1) All costs and descriptions shown are illustrative; if formed, a CSD Board would be tasked with adopting budgets to authorize funding for staff and programs.

The community has made numerous attempts over the past decades towards increased local control including incorporation as a new city. The most recent effort was during the Goleta incorporation process, during which several governance options were considered but rejected by LAFCO. Incorporation was determined to be financially infeasible, and inclusion within Goleta boundaries was considered unacceptable to the proponents and supporters of Goleta incorporation. The formation of a CSD was considered, but action was not taken.

A new city would have much greater authority over services, both existing and new, by comparison to a CSD. A city would also have access to many more sources of revenues, although the services responsibilities of a city would be much greater than a CSD. A new city could not only augment existing County services similar to those described for a CSD, but would also take direct responsibility for funding and provision of existing municipal services currently provided by the County to Isla Vista.

A newly formed City of Isla Vista would be directed by a locally elected city council, and services would be managed by city staff. The new city would take over responsibility for the funding and oversight of certain municipal services currently provided by the County. Services shifted from the County to the new city include police protection, planning, and public works, as well as administrative and support services such as finance, city attorney and office space, supplies and services.

Figure 14 illustrates a possible city organizational structure that includes about 16 city employees, and assumes that the new city would fund and manage contracts with the County for law enforcement and animal control. Contracts between cities and counties are common in California and Santa Barbara County, as these contracts can provide a cost-effective means of providing services, and taking advantages of economies of scale afforded by County services.

Note that this feasibility analysis's assumes the minimum level of staff required to provide basic services. The 16 city employees translate into a service level of about 1.0 full-time equivalent staff members per 1,000 people (based on lower bound, 15,000 population estimate for the IV Box only). Goleta and Carpinteria have services levels of 1.6 and 2.0 FTEs, respectively, for a similar array of services.²⁹ This relatively minimal staff scenario is not uncommon for a new city; additional staff members would be expected to be added, as assessed values and other tax revenue inflate.

²⁹ Meaning that police and park services have been excluded from the Goleta and Carpinteria staff positions to derive the FTE rate per 1,000 capita for services similar to those contemplated in this IV Cityhood analysis.

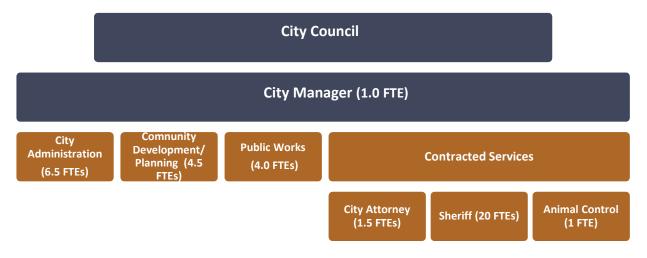


Figure 14 Illustrative City Organization (Minimal)

The County would continue to provide services available to all County residents, including District Attorney, Probation, Public Defender, courts, health and human services. Other services such as fire protection, schools, and public utilities, would continue as currently provided with no change.

Financial feasibility has always been a barrier to the incorporation of Isla Vista. As described below and in **Table 8**, feasibility of a new city could require additional new taxes to pay for basic municipal services shifted from the County to the new city, as well as to fund additional services similar to those described for a CSD.

Summary of Financial Feasibility

As shown in **Table 8**, city revenues (before adding new taxes not currently paid by residents) are insufficient to fund required municipal service currently provided by the County which are shifted to the new city, and to fund the city's administrative and other staff. The shortfall totals approximately \$3.0 million annually for city staff, contracts for services from the County for services assumed by the new city (e.g., police protection), and city overhead costs.

New city taxes assumed to cover the shortfall include both a new Utility Users Tax (or equivalent special taxes) of \$512,000 annually, as well as additional new taxes of \$2.5 million to fund basic city operations that previously were the responsibility of the County. Funding additional city services beyond those services (and service levels) currently provided by the County—similar to additional services described for a CSD in Chapter 5—could require additional special taxes; the costs of additional services depends on the services added.

The analysis assumes no reduction in current service levels. Isla Vista's costs of service reflect its population density, its transient, youth-oriented culture and related policing costs, and the lack of significant tax revenue generation typical of most cities, which contribute to the negative projected financial performance of a new city and need for new taxes. Isla Vista benefited in recent years from redevelopment activities; however, the elimination of redevelopment agency funding slowed the County's progress addressing infrastructure needs and deferred maintenance in the community, which will also place demand on the new city's finances. ³⁰

The challenge of financial feasibility could be further compounded by a shortfall in locallygenerated property taxes. The property taxes shown in the new city's budget are based on the calculated transfer of property tax pursuant to State law. However, the Isla Vista area generates less property tax to the County than shown in the budget. The Isla Vista area generates about \$1.5 million in property taxes to the County, which is \$2.35 million less than the calculated property tax transfer amount described in this chapter. If the new city is limited to a share of County property taxes generated within Isla Vista, city feasibility would be adversely affected. A legal opinion on this topic states that LAFCO does not have the authority to impose terms and conditions that require the County to transfer additional property taxes generated outside of Isla Vista to the new city. ³¹ This problem could be mitigated to the extent that 1) property taxes grow in Isla Vista and exceed the calculated amount (however, continued UCSB acquisitions will further reduce the local property tax base); or, 2) the County agrees to transfer the additional property and/or other taxes. Otherwise, the community would need to pay higher special taxes to compensate for the lower property taxes.

Incorporation could be contingent on voter approval of city formation <u>and</u> concurrent approval of new special taxes to fill a revenue shortfall; however, political opposition and the burden of higher taxes, including potential impacts on rents and low-income residents, pose challenges. Financial incentives and revenue transfers from the County could improve feasibility, although the County's ability to help fund city services is constrained by the County's need to continue providing regional services to Isla Vista and other County residents, as noted above. A new city's

 ³⁰ The Isla Vista redevelopment project area was established in 1990. After dissolution of redevelopment agencies by the State in 2011, property tax increment summing to about \$6.5 million per year. While some of that money is remitted to the taxing entities including school districts, County general fund, and special districts like Fire Protection, IVRPD, and Goleta West Sanitary District.
 31 See Appendix D.

feasibility also relies upon continued contributions by UCSB to Isla Vista services including foot patrol funding. In lieu tax payments by UCSB, currently provided by UCSB to the County, could be important to compensate for any future city losses of taxable property due to UCSB acquisition. Increases in current UCSB contributions could help to improve the fiscal feasibility of a new city.

Item	IV Box	IV BOX + UCSB
Existing Level of Service, No New Taxes		0030
General Fund Revenues		
Property Taxes	\$3,890,000	\$4,140,000
Sales Tax	\$440,000	\$610,000
Real Property Transfer Tax	\$40,000	\$40,000
Franchise Fees	\$410,000	\$540,000
Transient Occupancy Tax	\$80,000	\$80,000
Planning and Building Fees	\$390,000	\$460,000
Public Works/Eng. Fees	\$40,000	\$50,000
Fines and Penalties	\$130,000	\$170,000
Investment Earnings	\$30,000	\$30,000
Total	\$5,450,000	\$6,120,000
General Fund Expenses		(- , - , - , - , - , - , - , - , - , -
City Council	\$70,000	\$70,000
Elections	\$10,000	\$20,000
City Manager	\$480,000	\$520,000
City Clerk	\$160,000	\$200,000
City Attorney	\$200,000	\$250,000
Finance	\$290,000	\$430,000
Administrative Services	\$170,000	\$250,000
Police	\$5,150,000	\$5,150,000
Animal Control	\$100,000	\$160.000
Planning, Zoning, Bldg., Dev. Review	\$600,000	\$720,000
Public Works Admin.	\$430,000	\$530,000
Office Rent/Supplies	\$190,000	\$230,000
Insurance	\$230,000	\$250,000
Contingency	\$380,000	\$410,000
Total	\$8,460,000	\$9,190,000
Net Balance, No Increases in Taxes	(\$3,010,000)	(\$3,070,000)
Existing Level of Service, With New Taxes	(++,+++,+++)	(+0,000)
Utility Users Tax or Special Tax	\$512,000	\$512,000
Net Balance, With Tax Increase	(\$2,498,000)	(\$2,558,000)
Additional Bedroom Tax Required to Cover Shortfall		
Annual tax per taxable bedroom (1)	\$340	\$350
Enhanced Level of Service		
Additional Services and Cost Estimates		
Non-sworn personnel patrols	\$75,000	\$75,000
Additional building inspection/ Legal code enforcement	\$150,000	\$150,000
Community Development/Health programs (grant-writer)	\$50,000	\$50,000
Rental Inspection	Costs recover	+ /
Rent Board	Most of costs recover	red w/ fees
	WOST OF COSTS TECOVERED W/ TEES	

Table 8 Summary of General Fund Revenues and Expenditures

(1) Bedroom count derived from recent IVRPD tax rolls (about 8,700 bedrooms) less the roughly 1,000 beds in Tropicana Gardens anticipated to be deducted from tax rolls in the future. Note that this deduction has been done as a conservative estimate for the Cityhood analysis; UCSB has not confirmed that Tropicana Gardens will necessarily be exempted from property taxes.

It is likely that the incorporation of Isla Vista will result in a financial benefit to the County; the County will be relieved of financial responsibility for certain costly urban services that are not fully-funded by locally generated taxes. Although the County will also transfer certain locally-generated revenues to the new city (in an amount less than the County's cost reductions), the County may wish to facilitate the incorporation by providing additional financial incentives to the new city as long as the County still experiences a positive net financial benefit. The potential financial benefit to the County is shown in **Appendix B** to be as much as \$2.3 million annually. While this amount may not entirely close the feasibility shortfall, it could contribute, along with additional special taxes, towards closing the financial gap.³²

Public Services Plan

As with all new cities, the municipal government in a City of Isla Vista will evolve over time. Initially, many services are likely to be provided by contract with the County or other entities. Over time, these services may be provided directly by the city. Upon its incorporation the City of Isla Vista will become responsible for the all municipal services currently provided by either Santa Barbara County or certain County-dependent special districts. Parks and recreation services are assumed to continue to be provided by the Isla Vista Recreation and Park District, although some form of consolidation (e.g., sharing of staff) could be investigated in the future as a means of improving services.³³

The following paragraphs describe the municipal services provided by the new city. Actual levels of service would be established by the City Council through the budget process. Cost projections in this report are based on estimates of the service costs that the new city would incur because of its responsibility to provide certain public services. Level of service and staffing decisions reflect EPS's judgment based on relevant services, staffing and expenditures by other cities in the region including Lompoc, Carpinteria, Goleta, and the City of Santa Barbara.

Cost estimates may vary by study area and by level of service.

- **Study area.** Estimated services costs for the IV Box as well as the IV Box + UCSB study area are included. Costs which vary by population size (such as elections, planning, and animal control) increase for the larger study area while several costs are fixed (e.g., City Council and key city administrators such as the City Manager, Finance Director, and City Clerk) and equal for both boundary options.
- Service levels, "existing" versus "enhanced". Several functions include estimates for existing and enhanced service levels, such as the inclusion of non-sworn personnel patrols under public safety, rent control and rent mediation board under Planning and Building, and additional community /mental health services under Community Development. These service enhancements are generally equivalent to the additional services described in the CSD chapter.

³² Another indication of the "value" to the County for transferring municipal services to a new City of Isla Vista can be found in the revenue neutrality agreement with the City of Goleta. This agreement notes that, should Goleta West Sanitary District be dissolved, the County and Goleta would split the property taxes on a 70/30 basis, with the entity governing Isla Vista/UCSB receiving the 70 percent share. This implies an "incentive" differential in the range of hundreds of thousands of dollars to the entity which takes over governance of Isla Vista, according to the existing property taxes allocated to Goleta West Sanitary.

³³ It is assumed that reorganization involving the IVPRD would only occur if current staff, salaries and benefits could be maintained for both organizations; savings could be realized in the longer term as normal attrition occurs and additional services can be provided without increases in staff and related costs.

Further detail is provided in Appendix C.

City Council

The City Council will be the governing body of the city and will include five elected council members. The City Council will hire a City Manager and City Attorney, make service and budget decisions, enter into agreements with other governmental entities, and regulate land use within the city boundaries and represent the community.

The GO Study assumes that council members would be paid a minimal monthly stipend, and other travel and membership costs would be incurred. The actual stipend will be decided as part of the City's formal budgetary process. The "membership" expenses include membership in organizations such as the League of California Cities and other professional organizations. The "travel/meeting" expenses include costs related to conference and meeting attendance. These costs do not vary by study area boundary.

City Administration and Finance

The city would be administered by a City Manager and a professional staff, including a Finance Director. Administrative and service decisions would be focused on the City Manager, who would carry out the policy directives of the City Council. Specific activities of Administration and Finance include a City Clerk and elections, budget preparation and administration, personnel, and contract administration.

- City Manager's Office
- Finance Department
- Administrative Services
- City Attorney
- City Clerk's Office

There is not a significant difference in costs for these functions in the two study area options nor are any service enhancements included.

Police Protection

At present, the County provides law enforcement services, and the California Highway Patrol provides traffic control services. After incorporation, the GO Study assumes the city would contract with the County Sheriff Department to provide both law enforcement and traffic control services.

No significant initial start-up costs will be necessary, since the County Sheriff is currently equipped to serve the area. Costs of a contract with the Sheriff's Department are based on estimates of current costs of service that are generally consistent with Sheriff contracts with other cities in the County.

The Study assumes that UCSB continues to both (1) continue to provide additional staffing for Isla Vista Foot Patrol, consistent with its existing Memorandum of Understanding with the County and (2) UC police continue to provide patrol and other police services on all UC property. Given these assumptions, there is not a significant difference in costs for these functions in the two study area options. Potential service enhancements include additional non-sworn personnel patrols as described in the CSD chapter.

Public Works/Engineering

The Public Works Department would provide engineering services to the city and would manage capital improvement and maintenance activities. The major activities will include maintenance for roads and landscaping as well as conducting engineering review of development proposals. The analysis assumes that existing assessments levied by CSA 31 and CSA 3 will to be collected by the new city (totaling roughly \$90,000 per year), leaving the city with responsibility for the difference between actual costs and the assessments.

Road maintenance would be largely covered through gas taxes, regional transportation funds, and other grants for major improvements. No assessment has been made about the potential cost of existing deferred maintenance or the need for major infrastructure and capital improvements. Street lighting would be the responsibility of the City Public Works

Planning, Community Development, and Building Services

The existing County Zoning Ordinance will be adopted as land use policy by the first City Council and the new city would begin to develop a new general plan and zoning ordinance, building upon the County-led efforts to develop the draft Isla Vista Master Plan. Consultant contracts would be used for these services. A Planning Commission would be appointed and would begin to update the General Plan and supporting planning documents and policies.

The new city would be responsible for a range of building inspection and code enforcement activities. The city will also be required to adopt a housing element that addresses the provision of affordable housing and to work to gain approvals from the Coastal Commission for key land use changes or other changes that affect public access to the beach.

The city would participate in countywide programs which include Community Development Block Grants (CDBG), HOME affordable housing funds, and McKinney Funds. Depending on the ultimate size of the new city, it may choose to handle similar functions (e.g., administering HUD programs, facilitating housing development). If handled in-house, various grants programs for housing would cover administration related costs. It is assumed that staff would pursue economic development planning and programs.

Many of the planning and administrative costs are relatively fixed; however, there is likely to be a need for some additional staff time to address issues encompassing a city with larger boundaries encompassing open space and UCSB owned property and increased population.

The new city could undertake additional services as described for the CSD. In addition to rent mediation, the new city could investigate rent stabilization measures that would fall within the authority of a city.

Recreation and Parks

The GO Study assumes that these functions will continue to be operated by the Isla Vista Recreation and Parks District, although the city could supplement existing facilities in collaboration with the district.

Library

Isla Vista is located within the County's Library Service Zone #1 which is served by existing libraries in the Goleta, Santa Barbara, Carpinteria, Montecito, Santa Ynez, Solvang, Eastside, Los Olivos, and Buellton.³⁴ The new city could choose to augment existing services, if revenues are available for this purpose; however, no city responsibilities are assumed in the current analysis.

Animal Control

At present, the County provides animal control and shelter services to the unincorporated community of Isla Vista. A portion of these costs is covered by charges for services. It is assumed that the future per capita net cost to the city of contracting these services would be the same as similar cities in the County.

The estimated equivalent per capita contract cost was applied to the projected population to determine the costs of animal control and shelter services to the city and the cost varies by study area boundary. No service cost enhancements are included for this function.

Other City Expenditures

The new city will require office space and will incur other overhead costs. These are not anticipated to vary significantly by boundary option, except to the extent that certain costs are dependent on the magnitude of the city's total expenditures. Costs include office rent and supplies, insurance, and reserves for contingencies.

The new city may seek to obtain and reserve funds for capital facilities and infrastructure, however, these have not been evaluated in this Study. It is possible that certain facilities could transfer from the County to the new city, i.e., the IV foot patrol building; terms for the transfer of facilities would be negotiated with the County, and no payments have been considered in the current analysis.

³⁴ See source for zones in Appendix I.

Municipal Revenue Estimates

Revenue estimates represent what could occur following incorporation based on the community's tax base, and standard revenue formulas typical of other cities. The structure of the municipal government and decisions reflecting staffing, level of service, and funding are ultimately at the discretion of the City Council. **Table 8** above summarizes the revenue estimates and further detail is provided in **Appendix C**.

Property Tax

The property tax transfer from the County to the new city will be determined in accordance with Government Code, Section 56810, as amended. This statute requires that property tax base and increment factor be created which accounts for (1) total spending by the County on municipal services to the area to be incorporated, after accounting for charges for services, multiplied by (2) the percentage of property taxes in the County's budget of "revenues available for general purposes" also known as the "Auditors Ratio".³⁵

Conducting this analysis for both study areas indicates that the calculated amount of property tax which could be transferred to the new City of Isla Vista **exceeds** the level of property taxes generated in Isla Vista which are allocated and distributed to the County's General Fund. According to a legal opinion on this topic (see **Appendix D**), LAFCO cannot require that the County transfer property taxes which exceed those generated within the boundaries of the new city. It is important to note, therefore, that the property taxes transferred to a new city shown in this GO Study are contingent upon the new city successfully negotiating with the County for the higher level of tax transfer.

Future property taxes are dependent on the growth in assessed value both prior to, and following, city incorporation. Acquisition and development of property by UCSB within Isla Vista eliminates taxable assessed value, and thereby reduces property taxes. Consistent with a 2010 memorandum of understanding, UCSB compensates the County for the loss through an in-lieu, per-bedroom payment intended to approximate the property tax loss for properties acquired by UCSB subsequent to 2010. The new city would need to negotiate a share of this payment from the County and UCSB to mitigate against future property tax losses.

Sales Tax

Estimates of the sales tax accruing to the city are based on actual sales tax reported by the County for the two study area boundaries and an estimate of "unallocated sales tax." Unallocated taxable sales" include taxable sales unrelated to retail permits within the incorporation area boundaries. These sales include certain construction materials utilized on construction sites, mail order, and internet sales which are distributed statewide proportionate to site-specific sales tax. Note that future city residents could vote to increase sales taxes as an additional revenue source; increased sales taxes on items like applicable internet purchases would be fully remitted to the new city.

³⁵ The calculation of the Auditors Ratio is shown in **Appendix B.**

Property Transfer Tax

Property transfer tax revenues accruing to the city are based on the assessed value of units sold and the tax rate accruing to the city of \$0.55 per \$1,000 of assessed value. The assessed value that sells each year includes the sale of both existing and new development.

Franchise Fees

Franchise fees that are collected in the area include payments by cable, electric, gas, and refuse collection and are estimated based on the equivalent per capita revenues derived by the County from this source, and estimated for the two geographies.

Transient Occupancy Tax (TOT)

Currently, there are minimal TOT revenues paid by hotel or short-term rental guests in either study area boundary.³⁶ Currently there is a small amount of TOT collected from short-term rentals within the area.

Fees and Service Charges

As mentioned above in the expenditures section, revenues from the provision of building services, including permit and plan check fees, will partially offset the costs of providing these services under contract. Planning fees can be charged for the provision of development services, but not for General Plan preparation and Code Enforcement. Fees can be charged for a variety of activities conducted by the Public Works/Engineering Department related to plan review and inspection. Fee revenue is based on current County amounts received as a percentage of service costs.

Fines and Penalties

The average fines and penalties per resident are based on current County per capita equivalent fines and penalties.

Investment Earnings

Investment earnings will be accumulated on annual positive General Fund balances during the fiscal year.

Enhanced Revenues

Given the shortfall of revenues required to fund service, the new City of Isla Vista will require new taxes for financial feasibility. The Study includes two new taxes which could be approved by voters through a two-thirds voter approval.

- **UUT**. As discussed in the CSD chapter, additional revenues could be raised with a voter approved UUT which is assumed to range from 5 to 8 percent of water, sewer, electricity, natural gas, and garbage utilities.
- **Special Tax.** Alternatively, or in addition to the UUT, the voters of the new city could approve new special taxes.

³⁶ An option to collect taxes from short-term rentals could be considered, which could generate additional TOT.

As noted at the start of this chapter, feasibility could be enhanced to the extent that the County provides financial incentives to the new city, while maintaining its own positive outcome from the incorporation. The County of Santa Barbara is projected to be fiscally better off in the event of Isla Vista incorporation, and should be encouraged to evaluate mechanisms for improving the financial feasibility of Isla Vista cityhood while maintaining positive benefits to the County's budget. Methods to transfer property taxes to the new city in accord with formulas in State codes should be considered in order to address insufficient property tax generated within Isla Vista boundaries to fulfill the transfer requirement.

Capital Improvements

The new city could seek grants to help fund new facilities and infrastructure, or issue debt or other forms of financing to build facilities. These options are not considered in the current analysis.

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7. MUNICIPAL ADVISORY COUNCIL AND AREA PLANNING COMMISSION

A Municipal Advisory Council (MAC) may be formed by the County Board of Supervisors pursuant to California Government Code 31010 et. seq. Similarly, an Area Planning Commission (APC) may be formed by the County Board of Supervisors pursuant to California Government Code 65100 et. seq. A MAC could provide a local body (elected and/or appointed) to advise the County on various matters relating to Isla Vista services. A MAC would be easier to establish by comparison to a new CSD or new city, although it would not have the ability to raise revenues, with voter approval, independently. A MAC has no statutory authority or power over land use, law enforcement, or the provision of other services outside of its advisory role to the County on those topics assigned to it by the County. An APC would serve as the planning commission for Isla Vista, with binding land use authority, appealable to the Board of Supervisors.

A MAC was formed in Isla Vista in 1971, one year after unrest and anger in the community due to a combination of tensions including national policies (i.e., the Vietnam War) and local conditions (i.e., negative relations between residents and authorities)—led to rioting. The Isla Vista MAC undertook public meetings and discussion on a wide variety of issues, including land use, transportation, policing, animal control, parks and recreation, among others. The MAC was dissolved in 1983 when the County and UCSB ceased funding for the MAC. Numerous examples of MACs exist throughout the State. Several MACs have been created and assigned responsibility for oversight and direction of special district-provided services funded through district assessments.³⁷ The County current has one APC functioning, the Montecito Planning Commission which carries out land use functions in Montecito.

New Isla Vista MAC

An Isla Vista MAC, created by the County Supervisors, could provide direction to the Supervisors on a range of issues and services in Isla Vista, including those described previously in this Study for potential CSD services, such as public safety, code enforcement, public works, and community/economic development. Any services not currently provided by the County, e.g., tenant services, would require that the MAC request the County to implement and fund these new services.

As noted above, the MAC would be an advisory body only, unlike a CSD that would have direct control over CSD staff or contracts for new or additional County services. Similarly, the MAC would possess very limited control compared to a new city that would have direct responsibility for a range of municipal services shifted from the County to the new city.

As described in **Appendix I**, MACs in other counties have been assigned responsibilities by their respective counties to help provide guidance to the County to manage specific services within the MAC's geographic area. In cases where assessments generate funds to the County (e.g., through a County Services Area, which is a County-dependent district with no

³⁷ Examples of several MACs are described in **Appendix I**.

affiliation to the MAC), the MAC has been given responsibility for directing those funds for County Service Area purposes. The County ultimately remains responsible for services and funding, but this arrangement gives the MAC a more specific purpose in addition to its general role as an advisory body.

New Isla Vista APC

An APC in Isla Vista would replace the functions currently provided by the County Planning Commission, for matters in Isla Vista. An APC would require additional staff time from County planners. However, County planning fees and charges are likely to cover a large portion of the incremental costs for staffing an Isla Vista APC. Therefore, a relatively small budget allocation would be needed to operate an APC.

MAC, APC, and CSA 31

In Isla Vista, the potential exists for a MAC to be assigned responsibility for overseeing the revenues and services currently provided by CSA 31, a County Service Area. CSA 31 currently generates about \$90,000 in annual assessments from properties in Isla Vista. While CSA 31's functions have focused on street lighting in the CSA area, County resolution 23685 (1963) provides the CSA with the power to fund a variety of services in addition to street lighting, including police protection, installation and maintenance of sidewalks, and planting and maintenance of street trees.

Initially, the Board of Supervisors can form the MAC without any new taxes. To fund the MAC and/or the APC through CSA 31, the County would need to submit an application to LAFCO to amend the CSA's powers.³⁸ Over time, it may be possible for the CSA to increase taxes, with voter approval, and apply those funds to other services authorized for CSAs, assuming County and LAFCO approval.

³⁸ According to communications with LAFCO staff, activation of these latent powers for CSA 31 would require LAFCO approval. The Board of Supervisors could file an application with LAFCO to activate these powers. Part of the application process would require a determination of how these services would be funded.

8. NEXT STEPS

The need for change in Isla Vista is well documented, and support for improvements in the function and funding of services in the community is strong. The passage or failure of AB-3 will either (1) set a distinct course of action (hold elections as specified in the bill) or (2) allow advocates of different outcomes to begin traditional proceedings to achieve their aims (e.g., to: form a CSD, incorporate a city, or form a MAC and/or IVAPC by a Board of Supervisors vote).

Regardless of the AB-3 outcome, the need for higher levels of services in Isla Vista necessitates additional funding. To that end, all revenue options and cost efficiencies should be considered, in addition to pursuing the governance options as described below.

Community Services District

Two potential implementation routes are possible for a CSD in Isla Vista.

- 1. Legislated CSD. If AB-3 becomes law, the bill directs the County to forward a proposal to LAFCO in January 2016 that LAFCO will have 150 days to review with respect to establishing an initial Utility Users Tax for placement on the next ballot together with establishment of and candidates for the Board of the IVCSD. The UUT must pass by a two-thirds vote. If the UUT does not pass at the initial election, it may be placed on the ballot by the Board of Directors of the IVCSD until January 1, 2023. A Board of Directors would be elected to establish policy and direct the activities of the new CSD, and two directors would be appointed. The directors will be responsible for employing an administration to handle the day-to-day activities of the CSD. The Board will have five elected members, one member appointed by the County Board of Supervisors and one member appointed by the UCSB Chancellor (for a total of seven members). The terms of the four elected members and the members appointed by the County Board of Supervisors and the UCSB Chancellor shall be four years. The term of one of the elected members shall be two years. If AB-3 does not become law, the State may go forward with another type of CSD legislation in the future for Isla Vista.
- 2. LAFCO-created CSD. A CSD may be formed according to State law. In this case, the formation of a CSD begins with either a petition signed by no less than 25 percent of the registered voters residing in the district area or the adoption of a resolution of application by the County Board of Supervisors. LAFCO then provides a decision on formation. LAFCO must determine that A) a district can carry out its purposes, B) have sufficient revenues to provide named services and C) determine whether existing agencies can feasibly provide the needed service or services in a more efficient and accountable manner. If the district is formed and later the district board wants to provide services in addition to those authorized at formation, based on the community's needs, it must receive LAFCO approval for those "latent" powers. Voter approval will be necessary to approve taxes or assessments to provide services. Five directors would be elected by voters in the district.

Formation of the new CSD would require LAFCO approval, and LAFCO would need to make findings that the new CSD would be financially feasible. In order to do this, it is likely that LAFCO would require, as a condition of approval of the new CSD, that a special tax be approved by the voters to fund authorized services of the new CSD. Approval by a two-

thirds vote would be necessary to approve taxes or assessments to provide services. Five directors would be elected by voters in the district, all to four-year terms. In addition, it may be possible to activate the Isla Vista College Community Services District authorized in 1972 state legislation.

Further community polling and analysis should be prepared to determine acceptable levels of taxation, and possible additional options for funding.

Incorporation

This Governance Options Study concludes with the need for higher taxes in order to provide existing levels of municipal services and to support an expansion in public services. A next step in examining the cityhood option would be to explore additional revenue sources and evaluate potential growth of existing taxes.

- **Redevelopment and new development.** Creation of an Enhanced Infrastructure Financing District (EIFD), for example, could provide an opportunity to replace capital funding lost with the elimination of redevelopment agency powers. New residential and commercial development could increase the community's tax base, although additional analysis may be needed to assure that tax-exempt UCSB development provides in-lieu funding sufficient to offset its fiscal impacts.
- Short-term rental hotel taxes. Cities and counties around the country and around the world are grappling with the rise of short-term rentals proliferating in residential neighborhoods, in attractive, tourist-locations. Most of these listings run afoul of zoning ordinances (and lease agreements) and many policymakers are seeking to clarify rules on short-term rentals. Thus far, the cities of San Francisco and New York have begun receiving hotel taxes from Airbnb (the primary company facilitating short-term rentals, though there are dozens of other smaller outlets) for nights booked through the website, within their jurisdiction.
- **Gross receipts or payroll tax.** A few cities around the State have local taxes on the gross receipts of businesses or on a business's payroll. While UCSB would be exempt from this tax, the tax could be imposed on existing businesses and, temporarily, on construction firms while working on UCSB-projects or on other projects in the new city.
- **Parking taxes.** A parking district could be formed within the new city to manage and price parking. Revenue from parking taxes would likely be sufficient to cover the costs of a program, aimed at improving the allocation and management of the scarce parking resource.

Discussions could also be initiated with the County to determine how to address issues raised in this report regarding the transfer of property tax; potential County participation in an EIFD; and other possible incentives or financial support that the County could provide recognizing the reduction in County service responsibilities that exceed loss of County revenues from incorporation.

MAC and APC

The next steps for formation of a MAC and an APC are relatively straightforward – an Isla Vista MAC or APC may be formed by Board action. For the MAC, the Board would include a description of the process of Council member-selection (elected or appointed or some combination), direction to the MAC to provide advisory resolutions on specific matters, and an allocation of County staff and resources to run the MAC. For the APC, the Board of Supervisors would undertake a similar process except that the function of the APC is described in state law.

Given the history of a MAC in Isla Vista—which functioned for about 14 years—a formation three decades after the dissolution of the last MAC should aim to create an enduring form of local involvement and governance. Key strategies to consider are:

- To provide clear direction on areas of responsibility,
- To staff the MAC with experienced staff who can remain engaged as liaison with County service providers, and
- To demonstrate a commitment to higher funding levels for services, either through dedication of revenues or by planning for tax increases to put before Isla Vista voters.

The County can draw upon its experience forming and staffing the Montecito Planning Commission, the only APC in the County today, to form and support and Isla Vista Planning Commission.

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APPENDIX A:

CSD Services and Cost Estimation



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The below table illustrate the types of expenditures and staffing of a Legislative-path CSD or a LAFCO-route CSD in Isla Vista. Total costs are followed by the level of Utility Users Taxes which would be needed to fund the service. This is provided to illustrate the scale of costs in terms of additional taxation on residents. All CSD salaries are consistent with or slightly below those in nearby cities (Carpinteria and Goleta).

Item	CSD MANAGEMENT/OVERHEAD Base Expanded Provide local representation to focus resources Isla Vista needs and community priorities, with support staff to manage public engagement, activities, studies, and contracts		
Purpose and Functions			
Description of Services	Staff to support a broad r services, including specia		
Service Levels	1.0 FTE General Manager @\$162,500 compensation 0.5 FTE Clerical @\$31,250 compensation OH (rent, equip, insurance, legal, supplies, etc.)	1 FTE General Manager 1 FTE Finance 2 FTE Clerical OH (rent, equip, insurance, etc.)	
Net Cost:	\$257,000	\$472,000	
Funding Options			
Utility Users Tax Rate Required to Fund Above Avg. Monthly Tax/Household Avg. Annual Tax/Household Avg. Annual Tax/Bedroom	3.8% \$5 \$60 \$35	6.9% \$9 \$111 \$64	

P:\151000s\151070IslaVistaGovernanceWodel\[MuniServTable_FINALREPORT.xlsx]CSD Services

	POLICE Base	SERVICES Expanded	
Purpose and Functions	Improve safety of residents and visitors through increased, pro-active community policing and relate programs		
Description of Services	Training, equipment and supervision of non-sworn personnel patrols in the community. Expanded services includes sworn personnel.		
Service Levels	0.5 FTE Non-sworn coordinator 0.6 FTE Non-sworn patrols (6 shifts of 4 hours each per week = 24 total hours per week)	Base plus: 1 FTE Community Service Deputy @\$175,000 compensation*	
Net Cost:	\$75,000	\$250,000	
Funding Options			
Utility Users Tax Rate Required to Fund Above Avg. Monthly Tax/Household Avg. Annual Tax/Household Avg. Annual Tax/Bedroom	1.1% \$1 \$18 \$10	3.7% \$5 \$59 \$34	

*Note, cost may vary depending on contracting arrangement with County. Estimate in Baseline is net cost after citation revenue is included.

Source: County's Board Meeting materials, Isla Vista Report Back to the Board, October 7, 2014.

	BLDG. INSPECTION & CODE ENFORCEMENT Base Expanded		
Purpose and Functions	Identify and remedy improper occupancy, unpermitted construction, hazardous or insanitary conditions, and deteriorated or defective building components		
Description of Services	Conduct visual exterior inspections and take enforcement action as appropriate. Staff could seek authorization for interior inspection based on the nature and extent of exterior violations observed, and obtain an inspection warrant if necessary. County Counsel would be involved with inspection warrants and enforcement actions.		
Service Levels	Planning & Development Planning & Developm 1.00 FTE 1.25 FTE		
		County Counsel 0.4 FTE*	
Net Cost:	\$120,000	\$195,000	
Funding Options			
Utility Users Tax Rate Required to Fund Above Avg. Monthly Tax/Household Avg. Annual Tax/Household Avg. Annual Tax/Bedroom	1.8% \$2 \$28 \$16	2.9% \$4 \$46 \$26	

*Source: County's Board Meeting materials, Isla Vista Report Back to the Board, October 7, 2014.

	TENANT MEDIATION Base Expanded		
Purpose and Functions	Provide tenant counseling and mediation services		
Description of Services	mediator. See subsequent table in t program in other cities. Cost estima	including availability of a professional his Appendix information on costs of	
Service Levels	\$25,000 Contract for services with Santa Barbara Rental Housing Mediation Program	None proposed.	
Net Cost:	\$30,000	n/a	
Funding Options			
Utility Users Tax Rate Required to Fund Above Avg. Monthly Tax/Household Avg. Annual Tax/Household Avg. Annual Tax/Bedroom	0.4% \$1 \$7 \$4	n/a n/a n/a n/a	

Source: Cost estimate for base case from City of Santa Barbara Rental Housing Medication Program.

	PUBLIC WORKS Base Expanded		
Purpose and Functions	Provide for planning, implementation and maintenance of infrastructure and public facilities including parking and parkin programs, improved lighting, security, landscaping, graffiti abatement and trash collection		
Description of Services	grantwriting to obtain funds for side improvements, bluff fencing, and to a parking program. Note that, if a generate significant revenues for th	o manage and fund consultant work on parking program is instituted, it may	
Service Levels	Staff to plan and contract with the County to implement:	Existing CSD staff (Expanded) + 0.5 FTE Public Works Manager	
	-Parking program -Graffiti abatement	Consulting contracts for special studies	
	-Sidewalks/Traffic Calming -Fencing	County PW contract for graffiti abatement, plus part-time (job training) for litter cleanup, graffiti abatement	
Net Cost:	\$100,000 plus periodic studies (est'd \$25,000)	\$200,000 plus periodic studies (est'd \$40,000)	
Funding Options			
Utility Users Tax Rate Required to Fund Above Avg. Monthly Tax/Household Avg. Annual Tax/Household Avg. Annual Tax/Bedroom	1.5% \$2 \$24 \$14	2.9% \$4 \$47 \$27	

Note that public works expenditures could in part be funded through grants, contributions, or other means.

		NITY / ECONOMIC DEV	
Purpose and Functions	Base Expanded Provide services for community and economic development potential including mental health services, job training, and job placement and community facility expansions like a community center or library bran		
Description of Services	Part-time grantwriter seeking outside funding opportunities to provide the CSI revenues to run or contract out for mental health counseling, substance abust assistance, homeless services, tutoring, and job training, among others. Expansion services could incldue CSD staff to manage and coordinate programs with ot service providers		
Service Levels	0.5 FTE grantwriter	Part-time grantwriter 1.0 FTE staff	
Net Cost:	\$50,000	\$150,000	
Funding Options			
Utility Users Tax Rate Required to Fund Above Avg. Monthly Tax/Household Avg. Annual Tax/Household Avg. Annual Tax/Bedroom		\$1 \$12	2.2% \$3 \$35 \$20

Background Table: CSD Administration Expenses

Description	Assumptions	Base	Expanded
Building Rent and Supplies			
Staff Capacity Required		1.50	4.00
Office Space Required	200 sqft/position	300	800
Office Rent	\$2.50 /sqft/month	\$9,000	\$24,000
Rent for public meetings	\$250 per meeting, 24 meetings/yr	\$6,000	6,000
Annual Supplies	\$2,000 per FTE	<u>\$3,000</u>	<u>\$8,000</u>
Total Rent and Supplies		\$18,000	\$38,000
Other (1)			
Legal		\$25,000	\$30,000
Financial Services (annual report	ting)	\$15,000	\$15,000
Insurance	\$4,000 per FTE	\$6,000	\$16,000
Payroll Services		\$5,000	\$7,500
IT, internet, phones, copier (lease	e,maintenance, supplies)	\$5,000	\$7,500
Misc. (contingency, reserves, me	emberships, etc.)	<u>\$10,000</u>	<u>\$12,500</u>
Total Other		\$66,000	\$88,500
Total Overhead		\$84,000	\$126,500

(1) Base case costs based on review of Isla Vista Recreation and Park District costs for overhead items.

Background Table:	CSD Management	Expenses
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Item		Assumptions	Base	Expanded
General Manager's Office				
General Manager	• • • • • • • •		1.0	1.0
Annual Salary	\$100,000	•	100,000	100,000
Benefits Subtotal	30%		30,000 130,000	30,000 130,000
Assistant Manager	^	•	0.0	0.0
Annual Salary	\$75,000	•	0	0
Benefits Subtotal	30%		0 0	0 0
Finance			0.0	1.0
Annual Salary	75,000		0	75,000
Benefits Subtotal	30%		0 0	22,500 97,500
Clerical			0.5	1.0
Annual Salary	\$50,000	-	25,000	50,000
Benefits	25%		6,250	12,500
Subtotal			31,250	62,500
Administrative Assistant	•		0.0	1.0
Annual Salary Benefits	\$31,000 25%	-	0	31,000 7,750
Subtotal	2070		0	38,750
Honorarium for Board Members	\$1,000	per yr per member	\$7,000	\$7,000
Personnel Subtotal			\$168,250	\$335,750
Other Costs -Misc. Services	3%		\$5,048	\$10,073
Total Management Expenses	FTE's:		\$173,298 1.5	\$345,823 4.0

Background Table: Tenant Mediation Estimated Costs

Item	Amount	Formulae
FY15 Budget - Rental Housing Mediation Taskforce		
Revenue		
General Fund Transfer	\$116,415	а
Grants/Other Jurisdictions		
City of SB Human Services	\$25,000	b
City of Carpinteria	\$8,720	
County of SB	\$27,500	
City of Goleta	\$18,530	
Housing Authority	\$10,000	С
Donations	<u>\$1,000</u>	
Total Revenues	\$207,165	
Expenditures		
Salaries	\$150,945	
Payroll Taxes & Benefits	\$38,017	
Materials	\$1,616	
Allocated Costs	<u>\$16,587</u>	
Total Expenditures	\$207,165	
Budget metrics - City of Santa Barbara		
City of Santa Barbara population (2014)	88,400	
City's number of renter households (2013)	20,700	d
City of Santa Barbara's funding for RHMTF	\$151,415	e=a+b+c
\$ per renter household	\$7.31	f=e/d
Estimate for Isla Vista		
<u>High</u>	F 000	
Number of Renter Households	5,000	g
Estimated cost, High	\$36,574	h=g*f
Low		
Number of Renter Households	5,000	i
Discount, UCSB students (1)	25%	j
Estimated cost, Low	\$27,430	k=i*(1-j)*f
Average	\$32,002	AVG(h,k)

(1) In 2014, about 8,100 UCSB students resided in non-UCSB owned housing in Isla Vista. While this number of students might reside in about half of all rental units in Isla Vista, a discount of 25% was applied to the total number of renter-households in IV. This is an estimate to reflect the fact that some UCSB-renter households might use UCSB or RHMTF services with their renter-issues, if both services were available to them for free.

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APPENDIX B:

Property Taxes Transferred from County to New City

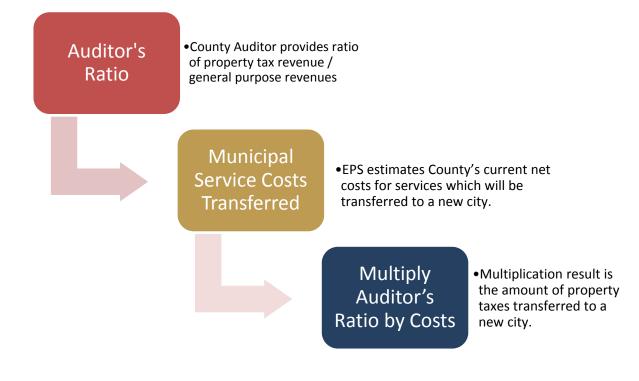


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APPENDIX B – PROPERTY TAXES TRANSFERRED TO NEW CITY

Property Tax Transferred from County to New City

Overview of Process



Description of Process

The property tax transfer from the County to the new City will be determined in accordance with Government Code, Section 56810, as amended. This statute requires that property tax base and increment factor be created in the following manner:

- (a) Determine the percentage of property taxes in the County's budget of "revenues available for general purposes." See table on next page.
- (b) Determine the existing net County cost of providing municipal services to the area to be incorporated in the year prior to the LAFCO action. In Isla Vista, these services will include sheriff, animal control, public works, and land use planning and enforcement. General government services were not included, as the establishment of the new City will not have a measurable impact on the County's overall budget for general government. Net costs were determined based upon estimates provided by the affected County departments.
- (c) Multiply [a] times [b]. This amount becomes the property tax revenue base transferred to the new City in the first year of operations.

The property tax increment represents the annual increase in the total property tax generated. It is derived by subtracting estimates of the total property tax generated in the current fiscal year from total property tax generated in the prior year. The application of the TAF to the property tax increment indicates the City's share of the additional property tax revenues. This share is then added to the City's prior year property tax revenue allocation to estimate the City's current year revenues.

The total property tax generated within the City's boundaries is estimated based on total assessed value. Total assessed value is determined by the market value of new development and the presence and turnover of existing development. No increase in property tax to the City is assumed from the redevelopment project areas.

The property tax calculations used in the Municipal Budget Model do not model tax delinquencies nor prior year accounts.

			Auditor's Ratio			
						Ratio
numerator: denominator:	Property Tax General Purpose Revenue	-	= \$	129,917,891 203,569,431	=	63.820%
			= \$			63.820%
6/30/2014						
			Actual	Numerator	Denominator	Excluded
TOTALS (detail Below):		\$	390,099,958.51 \$	129,917,891	\$ 203,569,431 \$	177,675,528

Auditor's Ratio

Source: County of Santa Barbara, Auditor-Controller

Application of Auditor's Ratio to Costs of Services Transferred to Estimate Property Taxes Transferred to New City of Isla Vista

Department	Sheriff	Public Works	Planning	Animal Control	Total
Cost Allocation Factors for Property Tax	es Transferred Calculat	ion			
Staffing (1)	20.00	280.25	89.49	34.00	
Total Expenditure		\$149,778,818	\$19,267,533	\$4,333,749	
(less) Charges for Services (2)		(\$40,135,217)	(\$2,949,352)	(\$2,240,420)	
(less) all other revenue sources (3)		<u>(\$106,562,401)</u>	<u>(\$11,836,281)</u>	<u>(\$993,913)</u>	
Net General Fund Contribution	\$4,800,000	\$3,081,200	\$4,481,900	\$1,099,416	\$13,462,516
Cost Allocated to IV Box					
Allocation Factor (4)	Equal to current county spending on IV FP.	per capita	per capita	per capita	
Net General Fund Spending per Capita	n/a	\$22.16	\$32.23	\$7.91	
Net General Fund Spending	\$4,800,000	\$409,934	\$596,289	\$146,270	\$5,952,494
Auditor's Ratio					63.82%
Total Est. Property Tax Transferred					\$3,798,881
Cost Allocated to IV Box+UCSB					
Allocation Factor (5)	Equal to current county				
	spending on IV FP.	per capita	per capita	per capita	
Net General Fund Spending per Capita		\$22.16	\$32.23	\$7.91	
Net General Fund Spending	\$4,800,000	\$547,318	\$796,126	\$195,291	\$6,338,735
Auditor's Ratio					63.82%
Total Est. Property Tax Transferred					\$4,045,381

(1) Equals number of staff for department or division for FY 2014/15 except for Sherriff department which is equal to the 15 sheriff deputies in the IVFT plus 7.5 sworn and non-sworn managers and support staff.

(2) "Charges For Service" for the County's Animal Control Department come directly from contributions made

from the cities within the County of Santa Barbara

(3) "Other Revenue" is high for the Planning Dept. due to robust contributions from licenses, permits and

franchise fees in the area, much of which comes from Exxon Mobile's continued presence in the County

(4) Per capita derived by dividing net general fund costs by unincorporated population as of Jan 1, 2015.

(5) Per capita analysis for the larger, IV Box + UCSB geography has been discounted for the public works department because the County largely does not maintain roads on UCSB's campus. The larger geography would include public works costs for key roads such as Ocean and Mesa Roads and Storke Road.

Source: County of Santa Barbara Operational Plan Fiscal Year 2015-16, Planning & Development Department,

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APPENDIX C: Incorporation Model



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Table 1

Isla Vista Incorporation Analysis

Summary of Revenues and Expenditures (2015\$s) Unrounded

Item	IV Box	IV BOX + UCSB	
Existing Level of Service, No New Taxes		0008	
General Fund Revenues			
Property Taxes	\$3,888,881	\$4,139,581	
Sales Tax	\$443,000	\$607,000	
Real Property Transfer Tax	\$42,118	\$43,280	
Franchise Fees	\$407,000	\$543,400	
Transient Occupancy Tax	\$75,000	\$75,000	
Planning and Building Fees	\$385,032	\$459,332	
Public Works/Eng. Fees	\$43,244	\$53,088	
Fines and Penalties	\$129,500	\$172,900	
Investment Earnings	\$27,069	\$30,468	
Total	\$5,440,844	\$6,124,048	
General Fund Expenses	., ,	.,,,	
City Council	\$67,500	\$67,500	
Elections	\$9,750	\$15,000	
City Manager	\$475,750	\$517,000	
City Clerk	\$157,300	\$198,550	
City Attorney	\$200,000	\$250,000	
Finance	\$287,375	\$431,750	
Administrative Services	\$169,400	\$254,100	
Police	\$5,147,000	\$5,147,000	
Animal Control	\$102,300	\$158,400	
Planning, Zoning, Bldg., Dev. Review	\$601,613	\$717,706	
Public Works Admin.	\$432,438	\$530,875	
Office Rent/Supplies	\$190,400	\$227,400	
Insurance	\$229,513	\$248,636	
Contingency	\$382,521	\$414,394	
Total	\$8,452,859	\$9,178,312	
Net Balance, No Increases in Taxes	(\$3,012,015)	(\$3,054,264)	
Existing Level of Service, With New Taxes		(()))))))))))))))))))))))))))))))))))))	
Utility Users Tax or Special Tax	\$512,000	\$512,000	
Net Balance, With Tax Increase	(\$2,500,015)	(\$2,542,264)	
Additional Parcel Tax Required to Cover Shortfall			
Annual tax per taxable bedroom (1)	\$340	\$340	
Enhanced Level of Service		,	
Additional Services and Cost Estimates			
Non-sworn personnel patrols	\$75,000	\$75,000	
Additional building inspection/ Legal code enforcement	\$150,000	\$150,000	
Community Development/Health programs (grant-writer)	\$50,000	\$50,000	
Rental Inspection	Costs recovered w/ fees		
Rent Board	Most of costs recove		

(1) Bedroom count derived from recent IVRPD tax rolls (about 8,700 bedrooms) less the roughly 1,000 beds in Tropicana Gardens anticipated to be deducted from tax rolls in the future. Note that this deduction has been done as a conservative estimate for the Cityhood analysis; UCSB has not confirmed that Tropicana Gardens will necessarily be exempted from property taxes.

Table 2 Isla Vista Incorporation Analysis Property Tax and Property Transfer Tax

ltem	Assumption	IV Box	IV Box + UCSB
Property Tax			
Assessed Value (1)			
Residential	Assessor database, 2015	\$748,535,042	\$767,887,377
Non-Residential	Assessor database, 2015	\$34,476,083	<u>\$38,049,350</u>
Total		\$783,011,125	\$805,936,727
Property Tax Allocation			
Property Tax Transferred (2)	See Prop Tax Transferred Calculation	\$3,798,881	\$4,045,381
Property Tax Base Transferred from Special D	istricts		
CSA #3	Current CSA taxes from geography	\$0	\$4,200
CSA #31	Current CSA taxes from geography	<u>\$90,000</u>	\$90,000
Total Property Tax		\$3,888,881	\$4,139,581
Property Transfer Tax	\$0.55 per \$1,000 market value		
Residential	10% turnover rate	\$41,169	\$42,234
Nonresidential	5% turnover rate	\$948	\$1,046
Total Property Tax		\$3,930,999	\$4,182,861

(1) Assessed value as of fiscal year 2015 and incorporates the tax implications of therecent purchase by UCSB

of the Tropicana Gardens apartments. This exemption is anticipated to be mostly offset by a bedroom payment UCSB will make for buildings purchased by the University in Isla Vista. Under the Memorandum of Understanding, this payment would be transferred to a new City. The purchase will have an impact on UUT and additional special tax estimates (which are based on taxable parcels). (2) Note that property tax transferred calculation is consistent with Government Codes describing the estimating process.

Table 3 Isla Vista Incorporation Analysis Sales Tax + Franchise Fees

Item	Assumption	IV Box	IV Box + UCSB
Sales Tax			
Taxable Sales (1)		\$44,300,000	\$60,700,000
Total Sales Tax (General Fund)	1.00% tax to City's General Fund	\$443,000	\$607,000
Franchise Fees (3)	\$22.00 per capita	\$407,000	\$543,400
Transient Occupancy Tax	actual TOT	\$75,000	\$75,000

(1) Sales Tax estimates provided by County for Fiscal Year 2015, includes countywide pool allocation, including the portion of sales tax from internet sales. Note that the current methodology for allocating taxable sales from internet purchases does not reflect the shipping address of the purchaser; rather, the taxes are placed in the State's "unallocated" pool, those sales taxes are forwarded to the County, and the County allocates portions of the taxes to cities, based on the generation of taxable sales within the City's boundaries. The methodology does allow for voter-approved additional sales taxes to be fully remitted to the locale where the purchaser paid the higher sales tax level.

(2) Franchise fees for gas, electric, cable, waste. Per capita assumption is based on County 2014 data.

(3) A small amount of TOT is generated by apartment buildings in Isla Vista that rent out units during the summer for less than 30 days for camps.

Table 4 Isla Vista Incorporation Analysis Other Revenues

ltem	Assumption	IV Box	IV Box + UCSB
Planning Fees & Revenue			
Planning Budget (1)	64% costs captured by fees	\$385,032	\$459,332
Public Works/Engineering Fees			
Public Works Admin./Eng. Budget (2)	10% costs captured by fees	\$43,244	\$53,088
Fines and Penalties (3)			
Per capita estimate Subtotal	\$7.00	<u>\$129,500</u> \$129,500	<u>\$172,900</u> \$172,900
Investment Earnings	2% interest		
Interest on: General Fund Revenues (excluding special taxes, UUT)	25% on deposit, on avg., dur	\$26,514	\$29,708

(1) Cost recovery percentage is equivalent to County Planning revenues for permits, fines, and services divided by the total Planning Expenditures.

(2) Cost recovery percentage is equivalent to Goleta Public Works fees and deposits divided by the total Public Works Expenditures.

(3) Per capita estimate based on average of Goleta and Carpenteria.

Table 5 Isla Vista Incorporation Analysis Administrative Costs

Department		Assumptions		IV Box	IV Box + UCS
Existing Level of Service					
City Council					
Stipends	5	people	\$500 per month	\$30,000	\$30,000
Expenses (travel, meetings)(1)	\$28,000	per year	stipend	\$28,000	\$28,000
Memberships (2)	\$9,500	per year		<u>\$9,500</u>	\$9,50
Total City Council				\$67,500	\$67,50
Elections (staffed by City Clerk) (3)	\$0.75	per reg. voter, assume	es only general elections	\$9,750	\$15,000
City Manager's Office					
Position Name	FTEs, IV Box	FTEs, IV + UCSB	Salary % of Salary		
City Manager	1.0	1.0	\$150,000 30%	\$195,000	\$195,00
Assistant to the City Manager	1.0	1.0	\$125,000 30%	\$162,500	\$162,50
Administrative Analyst	1.0	1.5	\$60,000 25%	\$75,000	\$112,50
Other Costs-Materials and Supplies	10%	10%	of total salary expenditure	\$43,250	\$47,00
Total City Manager's Office	3.0			\$475,750	\$517,00
City Clerk's Office					
Position Name	FTEs, IV Box	FTEs, IV + UCSB	Salary % of Salary		
City Clerk	1.0	,	\$110,000 30%	\$143,000	\$143,00
Administrative Analyst	0.0		\$60,000 25%	\$0	\$37,50
Other Costs-Materials and Supplies	10%		of total salary expenditure	<u>\$14,300</u>	\$18,05
Total City Clerk's Office	1.0		or total balary experiatere	\$157,300	\$198,55
City Attorney (4)			Contracted costs	\$200,000	\$250,00
Finance Department					
Position Name	FTEs, IV Box	FTEs, IV + UCSB	Salary % of Salary		
Finance Director	1.0	1.0	\$100,000 30%	\$130,000	\$130,00
Budget Analyst	1.0	2.0	\$75,000 25%	\$93,750	\$187,50
Administrative Analyst	0.5	1.0	\$60,000 25%	\$37,500	\$75,00
Other Costs-Materials and Supplies	10%		of total salary expenditure	\$26,125	\$39,25
Total Finance Department	2.5		or total balary experiatere	\$287,375	\$431,75
Administrative Services					
Position Name	FTEs, IV Box	FTEs, IV + UCSB	Salary % of Salary		
Human Resources	1.0	1.5	\$80,000 30%	\$104,000	\$156,00
Information Technology (contract)				\$50,000	\$75,00
Other Costs-Materials and Supplies	10%	10%	of total salary expenditure	\$15,400	\$23,10
Total Administrative Services	1.0			\$169,400	\$254,10
				¢4 0 07 075	¢4.300.00
Total, All Departments Above				\$1,367,075	\$1,733,90
Enhanced Services					
None envisioned					
Summary Statistics, Existing Service Level	s				
Total FTEs (excluding Council), Salary					
per FTE, and Total Salary Expenditure	7.5	10.5	\$125,433 \$114,190	\$940,750	\$1,199,00
Total Spending on Contract Work				\$250,000	\$325,00

Note: All position salaries are generally set above similar full-time positions in Carpinteria and below similar positions in the City of Goleta.

(1) Goleta FY 15/16 prelim. budget; Carpinteria budgets \$24,400 inc. memberships

(2) Based on expenditures by the City of Goleta FY 15/16 preliminary budget.

(3) Goleta \$24,000 FY16-17 Carpinteria \$8,500 plus 20% of clerk's time.

(4) Contract with City Attorney estimated at level below those found in nearby cities, but consistent with levels of similarly sized cities in the region and the State.

Table 6 Isla Vista Incorporation Analysis Functions and Costs: Contracted with County

Division		Assump	otions		IV Box	IV Box + UCSB
Existing Level of Service						
Police Protection						
Position Name Isla Vista Foot Patrol (1)	FTEs, IV Box 20.00	FTEs, IV + UCSB 20.00	Salary+Equipment (2 \$240,000	,	\$4,800,000	\$4,800,000
Additional Staffing, Special Additional Staffing (3)	Events				\$305,000	\$305,000
Facility Operating Costs (4 Annual O & M Land lease)				\$42,000	\$42,000
Facility Operating Costs					<u>\$0</u> \$42,000	<u>\$0</u> \$42,000
Total Police Protection Cos	sts				\$5,147,000	\$5,147,000
Animal Control						
Estimated contract cost	\$6.60 c	contract cost per cap	ita (5)		\$102,300	\$158,400
Total Contracted Service	s Above				\$5,249,300	\$5,305,400
Enhanced Services						
Police Protection						
Non-sworn personnel patro	ols (6)				\$100,000	\$100,000

(1) The costs shown are identical for the two geographies because UCSB has its own UC Police force for the property outside of the IV Box. The costs shown are identical for the two geographies because UCSB has its own UC Police force for the property outside of the IV Box. IVFP contract cost is estimated as follows: Current staffing of IVFP of 15.0 deputy sheriffs; plus 6.5 managers and specialists and supporting staff (including sergeants, lieutenants, and commanders) plus one non-sworn administrative staff member. Note that this contract staffing scenario does not include the 7.0 FTEs committed to by UCSB, by MOU with the County. These additional personnel are presumed to continue to be provided.

(2) The salary plus equipment cost is consistent with to the average cost per personnel charged by the County to Goleta and Carpinteria. Goleta contracts for just over 31.00 FTEs, a larger, but comparable number to the IVFP staffing level.

(3) Additional staffing costs are estimated from recent County expenditures on deputy overtime during Halloween, Deltopia, and other events requiring additional staffing.

(4) The IVFP building is located on UC-owned land. The estimated lease rate for the land lease, based on the terms of the MOU between the County and UCSB, provides for a \$30,000 land lease payment to the UC and a \$42,000 per year contribution for O&M to be made by UCSB. The \$30,000 lease payment will be waived by UCSB for the life of the MOU provided the building is used as a Sheriff's facility. The County estimates that the \$42,000 will be adequate to cover all O&M expenses for the first years of the lease. This analysis assumes that the building could be used by the City without paying the County rent.

(5) Four cities in the County contract for animal control services. The City of Santa Barbara contracts for shelter services only which Buellton, Lompoc, and Santa Maria contract for the full level of service. These costs averaged \$6.60 per capita in the fiscal year 2014/15.
(6) This type of additional service is similar to the SNAP program in San Luis Obispo. Offsetting revenues for this program are shown in the revenue tables.

Table 7 Isla Vista Incorporation Analysis Community Development/ Planning

Community Development		Assumption	าร		IV Box	IV Box + UCSB
Existing Level of Service						
Position Name (1)	FTEs, IV Box	FTEs, IV + UCSB	Salary s	% of Salary		
Planning Director	1.0	1.0	\$120,000	30%	\$156,000	\$156,000
Neighborhood Services/Econ Dev.	1.0	1.0	\$90,000	25%	\$112,500	\$112,500
Building Inspector/Plan Check	1.0	1.0	\$70,000	25%	\$87,500	\$87,500
Planner/ Comprehensive Planning	1.0	1.5	\$75,000	25%	\$93,750	\$140,625
Administrative Analyst	0.5	1.0	\$60,000	25%	\$37,500	\$75,000
Total Salary Costs					\$487,250	\$571,625
Other Costs (2)						
Planning Consultant Contracts (General and S	pecial Plans)				\$75,000	\$100,000
Mapping Reproductions					\$10,000	\$12,500
Planning Commission Expenses					\$5,000	\$5,000
Other Costs-Materials and Supplies	5%	of total salary expe	nditures		<u>\$24,363</u>	<u>\$28,581</u>
Total Other Costs					\$114,363	\$146,081
Total Costs Planning Dept.					\$601,613	\$717,706
Enhanced Services						
Grant writer for other community health and ec	conomic develo	pment programs			\$50,000	\$50,000
Rent Board (3)						costs recovered
Local control over land use decisions (included	d in the above)					
Summary Statistics						
Total FTEs, Salary per FTE, and Total Salary						
Expenditure	4.5	5.5	\$108,278	\$103,932	\$487,250	\$571,625

Note: All position salaries are generally set above similar full-time positions in Carpinteria and below similar positions in Goleta.

(1) Planning staff levels are below those found in Carpinteria, reflecting a minimum level of staffing which would be needed in a new City. This staffing model assumes that the County completes the Isla Vista Master Plan and gains approvals by the Coastal Commission, adoption by the County, and that the new City will adopt this new document as a key plan for the future of the City.

(2) The key item included in "Other Costs" are planning consultant costs. Given the array of planning analysis, public outreach, and documentation required of cities including general plan, housing element, and zoning ordinance.

(3) Estimated rent board administration costs are typically offset by application and other fees from landlords.

Table 8 Isla Vista Incorporation Analysis Public Works Administration

Division	Assumptions				IV Box	IV Box + UCSB
Existing Level of Service						
	FTEs, IV	FTEs, IV +		Benefit, as %		
Position Name	Box	UCSB	Salary	of Salary		
Public Works Director	1.0	1.0	\$100,000	30%	\$130,000	\$130,000
Engineer	1.0	1.5	\$90,000	25%	\$112,500	\$168,750
Maintenance Worker	1.5	1.5	\$50,000	25%	\$93,750	\$93,750
Administrative Analyst	0.5	1.0	\$60,000	25%	<u>\$37,500</u>	\$75,000
Total Salary Costs					\$373,750	\$467,500
Other Costs						
Other Costs-Materials and Supplies	5% o	f total salary	/ expenditure	es	\$18,688	\$23,375
Contracts for maintenance/ other contracts	\$40,000 p	er year			\$40,000	\$40,000
Total Costs Public Works					\$432,438	\$530,875
Enhanced Services						
None envisioned						
Summary Statistics						
Total FTEs, Salary per FTE, and Total Salary Exp.	4.0	5.0	\$93,438	\$93,500	\$373,750	\$467,500

Note: All position salaries are generally set above similar full-time positions in Carpinteria and below similar positions in Goleta. (1) Department will also contract out for additional maintenance and capital projects.

Table 9 Isla Vista Incorporation Analysis Office Rent, Insurance, and Contingency

Division	Assumptions			IV Box	IV Box + UCSB	
Existing Level of Service						
Office Rent						
FTEs requiring office space (1)					16.0	21.0
Contract employees requiring occasional space (2)					2.0	2.0
Office Space for FTEs	200	sq.ft./emp			3,600	4,600
City Council Chambers					2,000	2,000
Annual rent	\$2.50	rental rate pe	r sq.ft. per r	nonth	\$168,000	\$198,000
		including utili	ties			
Supplies						
Computers, software, phones, other office supplies	\$1,000	per FTE per year	\$2,000	start-up costs per FTE per year, amortized over 5 years	\$22,400	\$29,400
Insurance						
Calculated as proportion of total G.F. Expenditures	3.0%				\$229,513	\$248,636
Contingency						
Calculated as proportion of total G.F. Expenditures	5.0%				\$382,521	\$414,394
Total, All Categories Above					\$802,434	\$890,431

(1) Includes city manager, city clerk, finance, administration, planning, and public works.

(2) Includes city attorney, IT, city council members.

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APPENDIX D:

Property Tax Transferred to New City, Legal Opinion



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ATTORNEYS AT LAW

Memorandum

То:	Richard Berkson on behalf of The Fund for Santa Barbara	File No.:	61173.0001
From:	Paula C. P. de Sousa Christopher J. Diaz		
Date:	August 10, 2015		
Re:	LAFCO's Ability to Impose Terms and Conditions	s Regarding I	Property Tax Revenue

At your request, and on behalf of the Fund for Santa Barbara, we have prepared the following memorandum for your use.

QUESTION PRESENTED

Can a Local Agency Formation Commission ("LAFCO"), under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code Section 56000, *et seq.* (the "Act"),¹ impose a term and condition on an incorporation proposal requiring a county to transfer more property taxes to the proposed new city than is generated from within the boundaries of the proposed new city?

BRIEF ANSWER

No. There is no express statutory authority in the Act authorizing LAFCO to unilaterally impose a term and condition on a county mandating that it transfer more property taxes to the proposed new city than is generated from within the boundaries of the proposed new city. However, LAFCO can attempt to encourage a county and a proposed new city to come to an agreement regarding property taxes and other revenues under the revenue neutrality provisions in the Act.

BACKGROUND

For purposes of this memorandum, it is assumed the county will transfer all services it provides to the territory proposed to be incorporated, to the proposed new city. Further, it is assumed the county currently spends more money than that generated by tax revenue in order to provide those services to the territory that would comprise the new city. Last, it is also assumed that the property tax generated within the territory proposed to be incorporated is less than property tax determined to be transferred.

¹ All statutory references in this memorandum are to the Government Code unless otherwise stated. 61173.00001\14958481.1



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ANALYSIS

For any incorporation proposal, LAFCO is required to prepare a Comprehensive Fiscal Analysis ("CFA"). (§ 56800.) The CFA is intended to determine existing levels of service provided to the territory that will comprise the new city, associated costs for providing those services, and anticipated revenue that will flow to the new city from the county or other agencies providing the existing services. As part of the CFA, calculations of the estimated property tax to be transferred from the county to the new city are analyzed under Section 56810. Section 56810 authorizes LAFCO to request from the county auditor a determination of the property tax revenue generated for the county by tax rate area. This information is then used in in the CFA, as well as in the revenue neutrality negotiations as discussed further below in this memorandum. It is important to note that Section 56810, which deals specifically with property tax revenue to be exchanged, does not provide any express statutory authorization for LAFCO to unilaterally impose a term and condition on a county requiring it to transfer more property taxes to the proposed new city than is generated from within the boundaries of the proposed new city.

The purpose of the CFA is to provide LAFCO with information and analysis it needs in order to make findings under Section 56720, which are necessary to approve an incorporation. For example, Section 56720(e) requires LAFCO to find that the "proposed city is expected to receive revenues sufficient to provide public services and facilities and a reasonable reserve during the three fiscal years following incorporation."² (§ 56720(e).) In addition, pursuant to Section 56815, LAFCO is required to make a finding that an incorporation would result in a similar exchange of both revenue and responsibility for service delivery amongst the county and new city. Specifically, LAFCO is not authorized to approve an incorporation proposal unless it finds the following two quantities are substantially equal:

- (1) Revenues currently received by the local agency transferring the affected territory that, but for the operation of this section, would accrue to the local agency receiving the affected territory.
- (2) Expenditures, including direct and indirect expenditures, currently made by the local agency transferring the affected territory for those services that will be assumed by the local agency receiving the affected territory.

(§ 56815(b).) In the event that LAFCO finds that the two quantities above are not equal, LAFCO can still approve an incorporation proposal if:

(1) the county and city agree to the incorporation notwithstanding the negative fiscal effect, or

 $^{^{2}}$ LAFCO must also consider the ability of a new city to provide the services, including the sufficiency of any revenues to do so, as a factor when it considers an incorporation proposal. (§ 56668(k).)



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(2) the negative fiscal effect has been adequately mitigated by tax sharing agreements, lump-sum payments, payments over a fixed period of time, or any other terms and conditions pursuant to Section 56886.

(§ 56815(c).)³ Under these provisions, although not expressly stated in the statute, LAFCO staff can encourage a county and a new city to come to some level of agreement in order to mitigate any negative fiscal effects from the incorporation. (*See*, Governor's Office of Planning and Research, "A Guide to the LAFCO Process for Incorporations," October 2003.) When an agreement is reached, the express terms of mitigating the negative fiscal effect are memorialized in a revenue neutrality agreement.

In the event the county and new city cannot come to an agreement to mitigate any negative fiscal effect, this would likely provide LAFCO a basis to deny an incorporation proposal under Section 56815(b) above. This is especially true as there is no language in Section 56815 above, or in Section 56886 regarding terms and conditions, authorizing LAFCO to unilaterally impose a term and condition on a county mandating that it transfer more property taxes to the proposed new city than is generated from within the boundaries of the proposed new city in order to mitigate the negative fiscal effect. Further, without sufficient revenue sources for the proposed new city to provide the services, LAFCO would likely not be able to make the finding required under Section 56720(e), as discussed above.

Under Section 56815(c)(2) authorizing LAFCO to approve an incorporation if the negative fiscal effects have been mitigated, one may argue that it provides statutory authorization for LAFCO to impose a term and condition regarding payments. However, this language stops short of providing express authorization for LAFCO to impose a term and condition mandating payments. Further, Section 56815 is limited in its effect by its cross-reference to Section 56886 regarding terms and conditions. Similarly, the ability of LAFCO to impose a term and condition under Section 56886 to mandate payments to mitigate negative fiscal effects, is limited by the express revenue neutrality requirements of Section 56815. While there are two specific types of terms and conditions outlined in Section 56886, subsection (a)⁴ and subsection (i)⁵ that addresses

³ It must be noted that Section 56815 was adopted in 1992 to address the negative impact to counties (and other special districts) resulting from incorporations—specifically to ensure that the amount of revenues received by the new city from the county after incorporation would be not more than the amount of savings the county would realize by no longer providing the transferred services. However, the plain language of Section 56815 does not indicate that LAFCOs are only to apply its provisions to the benefit of a county (or other special districts). Accordingly, based on the language of Section 56815, it appears that LAFCO must apply its provisions to an instance such as the example at hand, where a county would realize savings in excess of the amount transferred because it currently costs the county more to provide the services within the territory to be incorporated than it receives in taxes generated from the territory to be incorporated.

⁴ Under Section 56886(a), LAFCO is authorized to impose a term and condition for the "payment of a fixed or determinable amount of money, either as a lump sum or in installments, for the acquisition, transfer, use, or right of use of all or any part of the existing property, real or personal, of any city, county, or district."



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payments and funds, neither expressly authorizes LAFCO to unilaterally impose a term and condition on a county requiring that it transfer more property taxes to the proposed new city than is generated from within the boundaries of the proposed new city. These examples could be argued to authorize LAFCO to impose a term and condition for payments, including mandating that a county transfer more property taxes to the proposed new city than is generated from within the boundaries of the proposed new city than is generated from within the boundaries of the proposed new city. Nevertheless, we are not aware of any case law interpreting Section 56886 to apply in this manner. Absent any express statutory language, we believe it is unclear whether Section 56886 could apply to authorize LAFCO to unilaterally impose a term and condition on a county requiring it to transfer more property taxes to the proposed new city than is generated from within the boundaries of the proposed new city authorize LAFCO to unilaterally impose a term and condition on a county requiring it to transfer more property taxes to the proposed new city than is generated from within the boundaries of the proposed new city in light of the express revenue neutrality requirements of Section 56815.

The more likely scenario is that the language in Section 56886, subsections (a) and (i), is provided to allow LAFCO to impose the terms of a revenue neutrality agreement, voluntarily entered into between the parties, as a term and condition in approving an incorporation proposal. In fact, the Governor's Office of Planning and Research, in its guide "A Guide to the LAFCO Process for Incorporations" published in October 2003, acknowledges that "LAFCO must specify the terms and conditions which result from the revenue neutrality negotiations." (Id. at 49.) It is worth noting that this same guide does mention that if the parties cannot voluntarily come to an agreement with regard to revenue neutrality, that the Governor's Office of Planning and Research does recommend that "LAFCO staff draft proposed terms and conditions dictating revenue neutrality terms for use in the comprehensive fiscal analysis and for recommendation to LAFCO at its public hearing." (Id at 47.) Although this language could be construed to indicate LAFCO has the authority to unilaterally impose terms and conditions dictating revenue neutrality, without any express statutory authorization or case law affirming this ability, it appears doubtful. It is more likely that this language is intended to encourage LAFCO staff to prepare terms and conditions dictating revenue neutrality in the hopes that LAFCO can encourage the parties to come to some level of agreement.

CONCLUSION

The Act does not provide express statutory authority for LAFCO to unilaterally impose a term and condition on a county mandating that it transfer more property taxes to the proposed new city than is generated from within the boundaries of the proposed new city. Additionally, we are not aware of any case law interpreting the Act to apply in this manner. Under the revenue neutrality provisions contained in the Act, LAFCO can attempt to encourage a county and city to come to an agreement regarding property taxes and other revenues. This process should occur during the preparation of the CFA and prior to LAFCO's public hearing on the incorporation. If an agreement cannot be reached and negative fiscal effects remain, the existence of the negative fiscal effects would provide LAFCO a basis to deny the incorporation proposal as it would be unable to make certain findings required under the Act.

⁵ Under Section 56886(i), LAFCO can impose a term and condition for the "disposition, transfer, or division of any moneys or funds, including cash on hand and moneys due but uncollected, and any other obligations."

APPENDIX E: Assembly Bill 3 Text



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AMENDED IN SENATE SEPTEMBER 9, 2015 AMENDED IN SENATE SEPTEMBER 4, 2015 AMENDED IN SENATE AUGUST 17, 2015 AMENDED IN SENATE JULY 1, 2015 AMENDED IN ASSEMBLY MAY 5, 2015 AMENDED IN ASSEMBLY APRIL 27, 2015 AMENDED IN ASSEMBLY MARCH 26, 2015 CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 3

Introduced by Assembly Member Williams

December 1, 2014

An act to add Part 4 (commencing with Section 61250) to Division 3 of Title 6 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 3, as amended, Williams. Isla Vista Community Services District. The Community Services District Law authorizes the establishment of community services districts and specifies the powers of those districts including, among others, the power to acquire, construct, improve, maintain, and operate community facilities, as specified. Existing law authorizes the formation of the Isla Vista College Community Services District within the unincorporated area of Santa Barbara County known as Isla Vista for the performance of various services, including, but not limited, to public parks, police protection, and transportation facilities.

AB3

This bill would authorize the establishment of the Isla Vista Community Services District by requiring the Board of Supervisors of the County of Santa Barbara to submit a resolution of application to the Santa Barbara County Local Agency Formation Commission, and, upon direction by the commission, place the questions of whether the district should be established and whether a utility user tax should be imposed on the ballot at the next countywide election following the completion of the review by the commission. By imposing new duties on the County of Santa Barbara, this bill would impose a state-mandated local program. The bill would provide that if a utility user tax is not passed by the voters of the district on or before January 1, 2023, the district would be dissolved. The bill would set forth the board of directors of the district and would specify the services that district would be authorized to provide, including, among others, the power to create a tenant mediation program and to exercise the powers of a parking district.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Isla Vista Community Services District.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the 2 following:

3 (a) The Isla Vista community encompasses a population of 4 approximately 15,000 residents situated within approximately a

5 half square mile of land in Santa Barbara County. It is adjacent to

6 the University of California, Santa Barbara (UCSB) campus and

7 its student population, of which approximately 8,000 students

8 reside in university owned housing. Including university property,

9 the area totals about 1,200 acres. Isla Vista represents one of the

10 largest urban communities in California not governed as a city.

1 (b) Isla Vista faces various challenges in local governance. As 2 a university community, Isla Vista must accommodate the service 3 needs associated with its transient student population and a 4 predominantly renter-oriented community while balancing the 5 needs of local homeowners and long-term residents. Isla Vista's 6 situation is complicated by its unincorporated status, which limits 7 its local participation in managing public services and providing 8 needed public improvements.

9 (c) As an unincorporated area, various county agencies provide 10 services to the residents and businesses of Isla Vista. Since these 11 agencies must provide services throughout the whole county, Isla 12 Vista must compete for attention and funding for the services they 13 need. Isla Vista is represented at the county level by one of five 14 supervisors and is situated in the largest and most diverse 15 geographic supervisorial district in the county.

(d) The Isla Vista Recreation and Park District is the only local
district providing limited services exclusively to Isla Vista. Due
to its stewardship of protected wetlands and the coastline, as well
as the dwindling amount of available open space, the Isla Vista
Recreation and Park District should remain an independent district.
(e) There have been multiple attempts at achieving cityhood for

Isla Vista; however, cityhood has been denied for a variety of reasons, including financial and political feasibility. In 2003, the Santa Barbara County Grand Jury found that establishing a community services district would be the best governance option to expand and improve services to Isla Vista; however, no action was taken by the community at that time.

28 (f) Over the last year, the Isla Vista community has been faced 29 with many challenges due to tragic events, including multiple 30 injuries from students falling off cliffs, multiple violent sexual 31 assaults, riots, a mass murder, and homicides that have brought 32 focus to the unique needs of Isla Vista that can only be addressed 33 by direct, local governance. Following these events, a local 34 coalition was formed to determine the best direction for Isla Vista 35 self-governance and the community services district has garnered 36 much local support.

(g) Additionally, following these events, many trustees on the
UC Santa Barbara Foundation Board expressed a strong desire to
support the chancellor and the university in efforts to create change
in Isla Vista, to ensure a safer and more enhanced community for

1 students. The UC Santa Barbara Foundation Trustees' Advisory 2 Committee on Isla Vista Strategies was formed to analyze the 3 conditions and dynamics of Isla Vista and develop mid- and 4 long-term recommendations to establish a viable, safe, and 5 supportive environment. Among their recommendations is that the 6 State of California create a Community Services District/Municipal 7 Improvement District in Isla Vista with potential powers of 8 infrastructure, utilities, garbage, police services, parks, recreation, 9 cultural facilities, fire, security, and roads. SEC. 2. Part 4 (commencing with Section 61250) is added to 10 Division 3 of Title 6 of the Government Code, to read: 11 12 13 PART 4. ISLA VISTA COMMUNITY SERVICES DISTRICT 14 15 61250. (a) Notwithstanding Chapter 2 (commencing with Section 61010) of Part 1, the Isla Vista Community Services 16 17 District may be established in accordance with this part. All other 18 provisions of this division shall apply to the Isla Vista Community 19 Services District upon its establishment, except as provided in this 20 part. 21 (b) (1) On or before January 5, 2016, the Board of Supervisors 22 of the County of Santa Barbara shall file a resolution of application 23 with the Santa Barbara County Local Agency Formation Commission, pursuant to subdivision (a) of Section 56654, to 24 25 initiate a comprehensive review and recommendation of the 26 formation of the district by the Santa Barbara County Local Agency 27 Formation Commission. The board of supervisors shall pay any 28 fees associated with the resolution of application. (2) The Santa Barbara County Local Agency Formation 29 30 Commission shall complete the review no later than 150 days 31 following receipt of the completed resolution of application. 32 Notwithstanding any other law, the Santa Barbara County Local

33 Agency Formation Commission shall not have the power to 34 disapprove the resolution of application.

- 35 (3) Notwithstanding any other law, the resolution of application
 36 filed by the board of supervisors pursuant to this subdivision shall
- 37 not be subject to any protest proceedings.
- 38 (c) (1) The Santa Barbara County Local Agency Formation
- 39 Commission shall order the formation of the district subject to a
- 40 vote of the registered voters residing within the boundaries of the

1 district, as those boundaries are set forth in subdivision-(e), (f), at 2 an election following the completion of the review pursuant to 3 subdivision (b). If a majority of voters within the boundaries of 4 the district, as specified in subdivision-(d), (f), vote in favor of the 5 district, the district shall be formed in accordance with this part.

6 (2) (A) The Santa Barbara Local Agency Formation 7 Commission shall determine the appropriate rate of taxation for a 8 utility user tax, applicable utilities to be taxed, and which services 9 the district will be initially authorized to provide, pursuant to 10 subdivision (d) and paragraph (5) of subdivision (g). The rate shall 11 be no lower than 5 percent and no higher than 8 percent of the total 12 cost of an individual's service charge for the utility being taxed.

(B) The utility user tax shall only be applied to electricity,
garbage disposal, gas, sewage, or water services.

(3) If the voters of the district do not vote to impose a utility
user tax within the district on or before January 1, 2023, regardless
of whether the establishment of the district is approved by the
voters of the district, the district shall be dissolved as of that date.

19 (4) The Santa Barbara Local Agency Formation Commission 20 shall direct the Santa Barbara County Board of Supervisors to 21 direct county officials to conduct the necessary elections on behalf 22 of the proposed district and place the items on the ballot including 23 district approval, candidates for the district's board, and the utility 24 user tax pursuant to subparagraph (A) of paragraph (2) at the next 25 countywide election, as provided in subdivision (f) of Section 26 61014.

(d) (1) The initial utility user tax imposed by the district shallonly be used to fund the following services and powers of thedistrict:

30 (A) Finance the operations of municipal advisory councils31 formed pursuant to Section 31010.

32 (B) Create a tenant mediation program.

33 (C) Finance the operations of area planning commissions formed34 pursuant to Section 65101.

(D) Exercise the powers of a parking district, in the same manner
as a parking district formed pursuant to the Parking District Law
of 1951 (Part 4 (commencing with Section 35100) of Division 18
of the Streets and Highways Code).

39 (E) Contract with the County of Santa Barbara or the Regents 40 of the University of California, or both, for additional police

- 1 protection services to supplement the level of police protection
- 2 services already provided by either the County of Santa Barbara

3 or the Regents of the University of California within the area of

- 4 the district.
- 5 (F) Acquire, construct, improve, maintain, and operate
- 6 community facilities, including, but not limited to, community
- 7 centers, libraries, theaters, museums, cultural facilities, and child8 care facilities.
- 9 (G) Acquire, construct, improve, and maintain sidewalks, 10 lighting, gutters, and trees to supplement the level of service
- already provided by either the County of Santa Barbara or County
 Service Area 31. The district shall not acquire, construct, improve.
- Service Area 31. The district shall not acquire, construct, improve,or maintain any work owned by another public agency unless that
- or maintain any work owned by another public agency unless thatother public agency gives its written consent.
- 14 other public agency gives its written (
- 15 (H) Abate graffiti.
- 16 (2) This subdivision shall not be construed to limit the services17 that may be funded by a tax imposed at a later date.
- 18 (e) (1) Notwithstanding Chapter 1 (commencing with Section
- 61020), Chapter 2 (commencing with Section 61025), and Chapter
 3 (commencing with Section 61040) of Part 2, the board of
- 21 directors of the district shall be composed as follows:
- (A) Five members elected at large from within the district asfollows:
- (i) Four members shall be elected for terms of four years. For
 the first election of the board of directors of the district, two
 members shall be elected for a term of two years and two members
 shall be elected for a term of four years.
- 28 (ii) One member shall be elected for a term of two years.
- 29 (B) One member appointed by the Board of Supervisors of the
- 30 County of Santa Barbara for a term of two years for the first
- appointment following the creation of the district, and for a termof four years thereafter.
- 33 (C) One member appointed by the Chancellor of the University34 of California, Santa Barbara for a term of four years.
- 35 (2) (A) There shall be no limit on the number of terms any
 36 individual may serve on the board of directors of the district,
 37 whether that individual is appointed or elected.
- 38 (B) The qualification of candidates for the initial board of 39 directors shall be conducted pursuant to the Uniform District
 - 92

Election Law (Part 4 (commencing with Section 10500) of the
 Elections Code).

3 (f) The boundaries of the district shall be contiguous with the

4 area known as County Service Area No. 31 within the County of

5 Santa Barbara and shall exclude any property owned by the Regents

6 of the University of California within those boundaries.

7 (g) The district may, within its boundaries, do any of the 8 following:

9 (1) Create a tenant mediation program.

10 (2) Exercise the powers of a parking district, in the same manner

11 as a parking district formed pursuant to the Parking District Law

12 of 1951 (Part 4 (commencing with Section 35100) of Division 18

13 of the Streets and Highways Code).

(3) Contract with the County of Santa Barbara or the Regents
of the University of California, or both, for additional police
protection services to supplement the level of police protection
services already provided by either the County of Santa Barbara
or the Regents of the University of California within the area of

19 the district.

20 (4) Acquire, construct, improve, and maintain sidewalks,
21 lighting, gutters, and trees to supplement the level of service
22 provided by either the County of Santa Barbara or County Service

Area 31. The district shall not acquire, construct, improve, or maintain any work owned by another public agency unless that

25 other public agency gives its written consent.

(5) Levy a utility user tax proposed by resolution of the board
of directors of the district and pursuant to approval by a two-thirds
vote in accordance with Section 2 of Article XIIIC of the California
Constitution on the utilities of gas, water, electricity, sewer, or
garbage disposal services. A utility user tax imposed by the district
shall not apply to any utility provided by a telecommunications
service provider.

(6) Contract with the County of Santa Barbara, the Santa BarbaraCounty Department of Planning and Development's Code

35 Enforcement Program, or both, to provide Code Enforcement

36 services to supplement the level of service provided by either the37 County of Santa Barbara or the Santa Barbara County Department

37 County of Santa Barbara or the Santa Barbara County Department38 of Planning and Development's Code Enforcement Program, or

both. This includes, but is not limited to, contracting for dedicated

40 Zoning Enforcement services pursuant to Chapter 35 of the Santa

1 Barbara County Code, or contracting for dedicated Building

2 Enforcement services pursuant to Chapters 10 and 14 of the Santa

3 Barbara County Code. These contracted services may be proactive

4 or reactive in their enforcement, as specified by the individual

5 contract.

6 (h) Following the creation of the district, the district may petition

7 the Santa Barbara Local Agency Formation Commission pursuant

8 to the Cortese-Knox-Hertzberg Local Government Reorganization

9 Act of 2000 (Division 3 (commencing with Section 56000) of Title

10 5) to exercise new or different functions or classes of services

11 listed in Section 61100, except those powers specified in 12 subdivisions (e) and (f) of that section, in addition to those

subdivisions (e) and (f) of that section, in addition to thosefunctions or services that were authorized at the time the districtwas created.

15 (i) The services provided by the district shall not supplant the 16 level of services provided by the County of Santa Barbara, the Isla

17 Vista Recreation and Park District, the University of California,

18 Santa Barbara, or any other service provider.

(j) The district does not possess, and shall not exercise, thepower of eminent domain.

(k) As used in this part, the term "district" means the Isla Vista
Community Services District formed pursuant to this part.

23 (*l*) The Cortese-Knox-Hertzberg Local Government 24 Reorganization Act of 2000 (Division 3 (commencing with Section

56000) of Title 5) shall not apply to the formation of the district

26 pursuant to subdivisions (b) and (c), to the selection of functions 27 or services that may be provided pursuant to subdivision (d), or to

the selection of functions or services to be provided pursuant to

29 subdivision (g) upon establishment of the district, except as

30 specified in this part. The act shall apply to any other change of

31 organization or reorganization as defined in that act, following the

32 establishment of the district, including, but not limited to, the

33 exercise of new or different functions or classes of services

34 authorized pursuant to subdivision (g) or (h) that were not selected

35 upon establishment of the district.

36 SEC. 3. The Legislature finds and declares that a special law

37 is necessary and that a general law cannot be made applicable

38 within the meaning of Section 16 of Article IV of the California

39 Constitution because of the unique community needs in the Isla

Vista area that would be served by the Isla Vista Community
 Services District.

3 SEC. 4. If the Commission on State Mandates determines that

4 this act contains costs mandated by the state, reimbursement to

5 local agencies and school districts for those costs shall be made

6 pursuant to Part 7 (commencing with Section 17500) of Division

7 4 of Title 2 of the Government Code.

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APPENDIX F:

UCSB Contributions: Letter Regarding Funding Related to Assembly Bill 3, Recent Contributions, and LRDP Bedroom Payment Agreement



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UCSB

SANTA BARBARA · SANTA CRUZ

BUDGET & PLANNING SANTA BARBARA, CALIFORNIA 93106

August 31, 2015

Assemblymember Das Williams California State Capitol, Room 4005 Sacramento, CA 95814

Dear Assemblymember Williams:

The University of California, Santa Barbara is committed to the Isla Vista community, and we share the goals outlined in Assembly Bill 3 of improving local governance, providing better support and services to Isla Vista residents, and improving the safety and quality of life in the community. Although no property owned by the University of California will be subject to the jurisdiction of the proposed Community Services District, whether or not it is located within the boundaries of such a district, we want to do our part to support the community and to help make a Community Services District economically viable. We hope that a Community Services District could improve conditions in the community that neighbors our campus and enhance the residential experience and learning environment of our students.

UC Santa Barbara has made significant investments in the Isla Vista community, providing substantial funding to support public safety and related infrastructure costs. It is widely recognized that over the past year there have been significant improvements in the safety and security of Isla Vista. Working with our students, we have helped to influence the culture of IV and enhance their learning and living environment. Our Long-Range Development Plan commits us to additional investments in the form of matching funds for projects in Isla Vista.

Furthermore, should AB 3 be approved by the State Legislature and a Community Services District is subsequently approved by the voters of the proposed District, the University is willing to commit \$200,000 annually to support mutually-agreed upon projects, programs, and/or services that advance the common goals of the university and the CSD, either by providing the funds for such projects, programs, and/or services, or by financing them and providing them directly. This new, annual commitment is pledged from 2017, if the District is created, until 2024, at which point this commitment would be considered for renewal and/or renegotiation.

It is our hope that other stakeholders in the IV community also will participate in providing or supporting services that will enhance the safety and quality of life in the District. We will continue to work with you and other elected officials, institutional stakeholders, and community leaders on this and other important projects in the future. Recognizing our mission as a public university, and acknowledging that a substantial number of the students who reside in Isla Vista are our students, UC Santa Barbara will continue its commitment to investing in and improving the safety and services of the Isla Vista community.

Sincerely,

Chr 24

Chuck Haines Director of Capital Development



UC Santa Barbara Contributions to Isla Vista Health and Safety

January 2014 - August 2015

George Thurlow | Assistant Vice Chancellor, Alumni Affairs | Chancellor's Special Assistant, Isla Vista | george.thurlow@ucsb.edu



uc santa barbara

January 2014 - August 2015

Added Enforcement Efforts

The UCSB Police Department's top priorities are the welfare and safety of UCSB students, but the impact of our efforts extend to the Isla Vista community and to those who visit both the campus and Isla Vista. Over the past year, the University has invested and adopted several initiatives designed to enhance significant safety measures already in place.

For example, additional officers have been added to the UCSB police force. These new officers are currently in training and are expected to be patrolling on campus and in Isla Vista by October 2015. The funding for the new police officers is in addition to the more than \$1 million in direct police services already provided to the County by the University each year.

The UCSB Police Department has contributed to a variety of outreach programs to the campus and Isla Vista that serve to communicate with residents and students about safety and law enforcement issues. Pizza-with-a-Cop, dodgeball tournaments, and the Rape Aggression Defense (R.A.D.) are a just a few examples.

In addition, the UCSB Police Department has stepped up police and CSO patrols in Isla Vista in general, especially on Thursday, Friday and Saturday nights, to provide a greater presence on weekends. The increased patrols will continue throughout the upcoming academic year.

The UCSB police department will continue to set up a number of sobriety checkpoints in the surrounding community and on campus roads. The checkpoints, which are a coordinated effort with the City of Goleta and the California Highway Patrol, also will continue throughout the academic year. The checkpoints are in compliance with state traffic enforcement guidelines.

The campus is currently discussing preparations for Halloween, which falls on a Saturday this year. To make sure the celebration is as safe and uneventful as it was last year, the UCSB Police Department will be working in conjunction with the Santa Barbara County Sheriff's Office, the CHP and the City of Goleta. Officers from the UCSB Police Department, UC mutual aid and other college or university police departments will augment the already large force deployed by the Santa Barbara County Sheriff's Office.

Additional Law Enforcement Equipment

UC Santa Barbara purchased new multi-band radios for use by both UCPD and SBSO to improve communications during law enforcement incidents. Previously, the two agencies could not communicate on the same channel. More than \$200,000 was spent on these radios and additional communication equipment. The campus also purchased -- at a cost of more than \$100,000 -- a portable electronic road sign and trailer for use during DUI checkpoint operations on campus.



UC SANTA BARBARA

January 2014 - August 2015

Mental Health Services

UC Santa Barbara obtained a \$500,000 grant from the federal government to provide additional mental health services. The grant has helped UCSB staff a new support center in the "Clinic" building in downtown Isla Vista. Seven offices in Isla Vista will house four mental health counselors, two sexual assault advocates, a mental health coordinator and other support staff.

First Year Student Safety Courses

UC Santa Barbara has increased the content of mandatory educational workshops for new freshmen and transfer students (Gaucho FYI) to include more safety content related to Isla Vista. A large part of the content of these in-person sessions focuses on sexual violence prevention, alcohol/drug abuse prevention, and mental health, with a focus on bystander intervention.

Halloween

In addition to underwriting the cost of a substantial increase in law enforcement presence on Halloween and Deltopia, UC Santa Barbara planned, organized, and funded special campus activities and events in order to create an alternative to gatherings and behaviors that in the past caused problems on the streets of Isla Vista. The combined cost of these alternative programs was in excess of \$300,000.

Communications Outreach

The UC Santa Barbara Office of Public Affairs & Communications and Division of Student Affairs planned and implemented coordinated communication outreach programs for Halloween 2014 and Deltopia 2015. These programs are specifically designed for and targeted to students and prospective outside visitors to the area, and were aimed at encouraging safety and discouraging out-of-town attendance. The University invested in paid media outreach delivering over 4 million impressions for each respective campaign. Campaign efforts in total also drove nearly 60,000 visits to a Keep Isla Vista Safe Facebook page educating local students and out-of-towners on rules, regulations and safety tips for each event. This extensive media campaign was also supplemented with letters to judicial officers of other Universities (as well as local high schools) about their students who are arrested or cited in Isla Vista. This allowed the other schools and institutions to address their students' behavior knowing violations of the law would be dealt with firmly.

Parking enforcement

UC Santa Barbara enacted tough rules involving parking on campus over the Halloween and Deltopia weekends. Checkpoints were placed on campus during the evening hours to control access to parking. Motorists who did not have a regular UCSB parking sticker were banned from campus. Students residing in Isla Vista were allowed to buy parking passes on campus to move their cars off the Isla Vista streets. UC Santa Barbara also paid for parking spaces at Girsch Park, which in the past had been sold to out of town party goers. Working with the



uc **Santa Barbara**

January 2014 - August 2015

owner of the Camino Real Marketplace parking, the shopping center was closed to visitors during evening hours of Halloween and Deltopia weekends. In collaboration with the City of Goleta, a parking ordinance requiring parking permits was instituted in areas near campus. In addition, the campus worked with the City of Santa Barbara to ensure extra enforcement of parking restrictions at the Santa Barbara Airport.

Student Housing

Students living in residence halls on the main campus and along Colegio Road were barred from having guests stay in their rooms during the Halloween and Deltopia weekends.

Lighting

Working closely with Third District Supervisor Doreen Farr, UC Santa Barbara provided an additional \$200,000 for street lighting on Camino Corto and agreed to provide the County \$200,000 from Long Range Development Plan funds to construct more sidewalks in Isla Vista.

First Fridays

Under the guidance of UC Santa Barbara Art Professor Kim Yasuda, UCSB worked collaboratively with the community to increase weekend and late night events with a creative focus. First Fridays in Isla Vista provided regularly scheduled alternative events in the parks and public spaces of Isla Vista.

Chancellor's Coordinating Committee on Isla Vista

At the direction of Chancellor Henry Yang, a Coordinating Committee was formed at UC Santa Barbara to provide direction and coordination of campus activities aimed at improving safety in Isla Vista and creating a greater sense of community. The Committee has created a fund to sponsor Isla Vista projects that bring classroom or intellectual efforts into the community. Some of these projects directly involve improving safety in Isla Vista. Additionally the Chancellor appointed a special assistant for Isla Vista affairs for the purpose of increasing communication between various government agencies, the community and the campus, as well as supporting programs that improve safety and strengthen community.

Sobering Center

UCSB's Associated Students have taken the lead on attempting to find funding for a sobering center in Isla Vista. Meetings have been held through 2015 and funding seems possible. There are discussions about placing a new ballot measure before students to help fund a sobering center.



uc **Santa Barbara**

January 2014 - August 2015

Extended Jurisdiction

Student Affairs at UC Santa Barbara is convening a campus wide committee to review current "extended jurisdiction" policies at the campus. The committee will review the possibility of adding additional off-campus offenses to the list of behaviors that can currently result in campus discipline. Students are reminded in a variety of ways about the existing extension of jurisdiction regulations and how off-campus conduct (e.g., sexual violence) can result in campus disciplinary consequences. In November 2014, the Sheriff's office revived the post of "Greek Liaison" to provide regular reports to UCSB on behavioral and conduct issues for the fraternity and sorority activities in Isla Vista. Increased accountability resulted in the suspension or removal of a number of organizations during the past academic year.

Community Resources Officer

UC Santa Barbara endorsed funding by the County of Santa Barbara of a Community Resource Officer to be stationed in Isla Vista to improve communications between the residents and the Sheriff's Department.

Purchase of Tropicana housing complex

UC Santa Barbara purchased the Tropicana housing complex on Colegio Road in order to provide more oversight with the ability to enforce campus rules and regulations and provide greater neighborhood safety to both student residents and residents of the community,

Additional Student Community Service Officers

This fall 2015, UCSB is increasing the number of paid Community Service Officer (CSO) staff to provide additional safety in the campus area and to help supplement regular sworn officers

Sexual Violence

UCSB just ended the first year of a three-year grant from the Federal Office of Violence Against Women funding a dedicated UCPD officer to investigate sexual assaults with more streamlined reporting, as well as assistance from a specially trained detective who uses a trauma-informed approach to working with survivors. For the first time the UC Santa Barbara Office of Student Affairs also organized training for 20 full-time staff in the "Green Dot" program for bystander intervention. These 20 staff members will in turn begin training sessions this fall for students in bystander intervention techniques to reduce incidents of sexual violence.

Cliff Fencing

In partnership with the County of Santa Barbara, UCSB made monetary contributions to the installation of permanent fencing along the cliffs in Isla Vista.

2010 UNIVERSITY OF CALIFORNIA, SANTA BARBARA LONG RANGE DEVELOPMENT PLAN MITIGATION IMPLEMENTATION AND SETTLEMENT AGREEMENT

Date of this Agreement within City or County, provided that all of the following conditions are met:

a. The additional student housing shall not be used to offset University's housing obligations as set forth in Section 3.1;

b. Whether or not the acquisition is exempt from the provisions of CEQA, University shall meet and confer with City and County regarding the mitigation of environmental impacts associated with any change in use, ownership or control of the property; and

Housing section. For each new University-owned or leased student bed located on land not c. Article 3.6c University-owned as of the Effective Date of this Agreement that results in a property tax revenue loss to City or County, University shall contribute funds per bed to a Housing Impact Fund ("HIF") at a rate of \$280 per bed per fiscal year ("HIF rate") payable to City or County based on the jurisdiction in which the student bed is located. The HIF rate shall increase by two-percent (2%) on July 1 of each year. HIF payments by University shall be used by City and County to directly support public services serving UCSB's off-campus population, including, but not limited to, public safety and parks and recreation. HIF payments for each fiscal year shall be made to City and County on or before October 1. For purposes of this Subsection, a fiscal year shall begin on July 1 and end on June 30. HIF payments shall be proportionally reduced for the period of time during the fiscal year for which the student bed results in a property tax revenue loss to City or County. Each year, by June 1, University shall provide City and County with an annual accounting of student beds located on land leased or purchased during the term of this Agreement for purposes of determining and calculating the HIF payment due for that fiscal year for City or County property tax revenue loss. HIF payments under this Subsection shall continue every year until such time, if any, as University ceases to own or lease the student bed. Each year City and County shall provide an annual accounting of expenditures of HIF payments.

d. For purposes of calculating HIF payments under Section 3.6(c), payments

Page 6 of 19 COUNTY AND CITY APPROVED; September 7, 2010

F-7

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APPENDIX G:

County and SBCC Contributions to Isla Vista





CONTRIBUTIONS TO ISLA VISTA HEALTH AND SAFETY

THIRD DISTRICT SUPERVISOR DOREEN FARR

Lighting

Santa Barbara County Public Works Department and Southern California Edison upgraded or added over 280 street lights. The next and final phase of this project is to begin the infill portion, which includes approximately 23 new lights in various locations throughout Isla Vista. This project was spearheaded by the Third District Office with support from UC Santa Barbara Associated Student leaders.

Sidewalk Plan

Third District Supervisor Doreen Farr is working in partnership with Public Works Department to complete a sidewalk plan for the entire Isla Vista area. The plan will allow for the construction of sidewalks in areas where sidewalks are currently missing, and will create a contiguous sidewalk for pedestrians to walk safely. Public Works staff has completed priority phase one and is working to acquire right of ways from property owners for the remaining phases. The project is a multi-year plan with a cost of approximately \$4 million.



Community Resource Deputy

The Office of Supervisor Farr collaborated with key Isla Vista residents and stakeholders to secure \$114,000 from the General Fund for a Community Resource Deputy (CRD). The role of the CRD is to serve as a liaison between the Foot Patrol, fraternities and sororities, business and property owners, residents, local organizations and student groups. The CRD will be responsible for designing and implementing community-wide programs on health and safety. In addition, the CRD will help administer the Isla Vista Sobering Center.



Isla Vista Community Center

In July 2014, County of Santa Barbara took ownership of the property located at 976 Embarcadero Del Mar for the purpose of a community center. Third District Supervisor Doreen Farr was instrumental in allocating \$483,000 to rehabilitate this 3,600 sq. ft. property, which was previously owned by the Isla Vista Redevelopment Agency. The property will become a community-based, multi-use space available to all members of the Isla Vista community for congregation of group activities, nutrition and cooking classes, social support, public information, and other community activities designed by the community. The General Services Department is currently working on the design phase, and the project is scheduled to be complete February 2017.



Large Vehicle Ordinance

Santa Barbara County Code Chapter 23, Section 23-13.12 was amended to prohibit oversized vehicles from parking between the hours of 10:00 pm and 6:00 am in the entire Isla Vista area. Amendments also authorize the removal of oversize vehicles parked in violation of Chapter 23, Section 23-12.12. Public Works determined that oversized vehicles can cause neighborhood blight, impair sight distance, create nuisances, block travel, and can be hazardous to public health and the environment.





Isla Vista Downtown Business Association

With the support of various Isla Vista business owners, the Third District Office headed the establishment of the Isla Vista Downtown Business Association (IVDBA). The IVDBA is designed to promote the general welfare of the downtown Isla Vista business district and its members by developing inter-business relations, and promoting marketing plans and special events. The Association's main goal is to promote the Isla Vista business district as a local destination for the residents of the surrounding communities. The IVDBA represents its membership in political matters that could have a material impact on the business district. Its executive committee consists of a President, Vice-President and Secretary. The Association meets twice a month and represents over 100 businesses.



Isla Vista Downtown Business Association

Community Resource Building

The Board of Supervisors authorized the Director of General Services Department to execute a Lease Agreement to allow various organizations to use office space in the Santa Barbara County building located at 970 Embarcadero Del Mar for a term of five years. In July 2014, Santa Barbara County took ownership of this property which was formerly owned by Isla Vista Redevelopment Agency. The property consists of a 2-story multitenant office building, with approximately 9,914 sq. ft. of useable interior space. Santa Barbra Neighborhood Clinic is currently utilizing 3,110 sq. ft. of the total space. In addition, a 1,347 sq. ft. multipurpose space located on the ground floor has been heavily utilized by community groups for meetings, trainings, lectures and small events. General Services is in the process of completing renovations in the vacant portion of the property. The Department signed Lease Agreements with UC Santa Barbara, Division of Student Affairs to provide expanded services and direct access to mental health, wellness, advocacy, and prevention services to UCSB students living in the Isla Vista area. These services will be provided through Campus Advocacy Resources and Education (CASE), Counseling & Psychological Services (CAP), and Student Mental Health Coordination Services (SMHCS). General Services also signed an agreement with Isla Vista Youth Projects to use space as a Family Resource Center which will provide counseling, case-management, adult education, classes and other community resources to the Isla Vista Community.



Santa Barbara Rape Crisis Center - SACE Isla Vista

Third District Supervisor Doreen Farr supported the allocation of \$20,000 from Santa Barbara County General Fund to finance the Sexual Assault Counseling and Education Program in Isla Vista (SACE IV). This program will provide support and psychological education to sexual assault survivors in order to heal from the trauma of an assault. SACE IV will also provide rape prevention presentations that explore approaches to support those who have been victimized and combat the harmful myths that contribute to a culture that tolerates sexual violence.



Sobering Center Program

Supervisor Farr is working with several stakeholders to bring a Sobering Center to Isla Vista. The main goal of the Sobering Center would be to provide safety from dangers such as sexual assault and other physical or psychological trauma, while providing effective clinical intervention, and referrals to appropriate clinical service agencies. It is proposed that the Sobering Center will be open three nights per week, from Thursday at 5pm until Sunday at 5pm. This is the timeframe when alcohol and controlled substance use are most frequent. UCSB Associated Students expressed interest in placing the Sobering Center Program on the student body Ballot Initiative for Spring 2016.

Isla Vista Community Service District (IVCSD)

After the dissolution of the Isla Vista Redevelopment Agency, several UC Santa Barbara students approached Third District Supervisor Farr with questions regarding the feasibility of a Community Service District (CSD). In the Spring of 2013, several students initiated an extensive and complex research project on the process required to create a CSD. The tragic events that resulted in 2014 accelerated the interest in creating a CSD to augment current County services in Isla Vista. The CSD was also seen as a conduit to enhance governance in the unincorporated area. In the Fall of 2014, the UC Santa Barbara Foundation Trustees released a report "A Call for Action" whereby they recommended the creation of a CSD through the State of California legislature. Within several months from the release of the Trustees' report, Assemblyman Das Williams introduced a bill known as AB 3 and initiated weekly meeting with community stakeholders to draft the language of The Office of Supervisor Farr has been engaged and supportive since the the bill. beginning of the CSD process. The bill was approved by the State Assembly and State Senate, and is currently awaiting the Governor's approval.



Appendix G Isla Vista Governance Options Financial Analysis

SANTA BARBARA CITY COLLEGE & ISLA VISTA

Santa Barbara City College is committed to Isla Vista, and we share the goal of improving the safety and quality of life for all of its residents. Many SBCC students reside in Isla Vista, and the college has made significant efforts to be responsive to the needs and concerns of the community.

The following efforts made by SBCC around community-building, public safety, services, student behavior, and local governance have enhanced the safety and quality of life in Isla Vista.

------ COMMUNITY-BUILDING ------

Student Focus Groups: SBCC Students Living in Isla Vista

SBCC contracted with Molly Ludwig of Frank N. Magid Associates, Inc. to research and explore the motivations and mindsets of SBCC students currently residing in Isla Vista. In late April 2015, Ms. Ludwig conducted four student focus groups, each 90 minutes in length, with participants between the ages of 18 - 25. The key areas of inquiry included students' overall attitudes regarding their SBCC experience, understanding their motivations for choosing to live in Isla Vista, and to gather ideas on how SBCC can better support its students living in Isla Vista. The <u>final report</u> has been shared with the IV Safe Committee and with the SBCC Board of Trustees and other consultative campus groups. Recommendations from the Focus Group report are being reviewed for implementation.

Meet Your Neighbor Day, October 18, 2014

SBCC contributed \$5,000 to Meet Your Neighbor Day, an event hosted by the Isla Vista Parks and Recreation Department. The SBCC Associated Student Government (ASG) volunteered at Anisq'Oyo' Park, the final destination of the day's events where activities were provided and various community and educational services were available to share resources with attendees.

SBCC ASG will participate in the 2015 event as well.

Memorial Tree Grove Dedication, May 6, 2015

The SBCC ASG hosted a memorial tree grove dedication in honor of the six UCSB students who lost their lives in the May 23, 2014 Isla Vista tragedy. Six red bud trees have been planted in a secluded area near the entrance to SBCC's West Campus with a commemorative plaque and six

individual plaques honoring George Chen, Katherine Cooper, James Hong, Christopher Ross Michaels-Martinez, David Wang and Veronika Weiss.

SBCC Dean of Student Support Services Participation in Panel Discussion Following Screening of *The Hunting Ground*, July 26, 2015

The Rape Crisis Center of Santa Barbara and the Democratic Women of Santa Barbara County presented a screening of *The Hunting Ground*, a documentary of rape crimes on college campuses. The screening was followed by a panel discussion with representatives of the higher education community, local law enforcement, and local political officials. The dean of SBCC's Student Support Services spoke in support of Senator Hannah-Beth Jackson's Senate Bill 186, which would allow community college districts to extend their jurisdictions beyond the college campus in cases of sexual assault and sexual exploitation.

A screening of *The Hunting Ground* followed by a panel discussion is scheduled for October 27, 2015 in the SBCC Garvin Theatre.

UCSB Community Housing Advisory Board

The dean of SBCC's Student Support Services participates on the UCSB Community Housing Advisory Board and works with the UCSB Community Housing Office to assist with resolving SBCC student housing issues, concerns, and complaints in Isla Vista submitted by students, residents, and landlords.

SBCC Health Services Participation

Members of SBCC Health Services serve or have served on the following committees: IV Foot Patrol Meeting, UCSB Coordinated Community Response Team, and Isla Vista Victim Witness Fund Committee.

City College Connect

City College Connect strives to strengthen peer-to-peer outreach and education on important topics such as stress management, sexual assault, and alcohol and substance abuse.

------ PUBLIC SAFETY ------

Halloween 2014

The SBCC ASG partnered with the UCSB AS to promote the "Keep it Safe, Keep it Local" campaign.

- A joint communication crafted by both associations was sent via email to all currently enrolled SBCC students.
- The SBCC ASG sent an email to California Community Colleges' student associations requesting their assistance in promoting the "Keep it Safe, Keep it Local" campaign.
- In support of the hydration stations in Isla Vista over the holiday weekend, the SBCC ASG donated \$200 in cups for the stations and sent volunteer teams to staff the stations on each night.

The dean of SBCC's Student Support Services sent a no tolerance email warning currently enrolled SBCC students to stay away from Isla Vista. Further, all students who were reported to have been arrested over the weekend were required to meet with the dean for consideration of possible

sanctions. The dean invoked parental notification for those students who were reported as receiving citations for minor in possession. That practice is ongoing.

In an effort to deter students and visitors from leaving their cars at SBCC and taking alternative transportation to Isla Vista over the Halloween weekend, parking lots were closed to the general public from 10:30 p.m. on Friday, October 31, 2014 through Sunday, November 2, 2014.

Deltopia 2015

The dean of SBCC's Student Support Services sent a no tolerance email warning currently enrolled SBCC students to stay away from Isla Vista. Further, all students who were reported to have been arrested over the weekend were required to meet with the dean for consideration of possible sanctions. The dean invoked parental notification for those students who were reported as receiving citations for minor in possession.

Communication with Isla Vista Foot Patrol

The dean of SBCC's Student Support Services receives periodic reports from the Isla Vista Foot Patrol that reflect the names of students who have allegedly committed violations of the penal code, health and safety code, business profession (minor in possession), and other county ordinances. When appropriate the dean places holds on the student's SBCC record and the student is required to meet with the dean. In cases of egregious violations, students have been suspended from the college.

Isla Vista Safe Committee

The president of SBCC, the dean of SBCC's Student Support Services, and an SBCC student representative serve on the Isla Vista Safe Committee, which is chaired by Joyce Dudley. The college provided \$15,000 to support the Isla Vista marketing/rebranding efforts.

Bystander Intervention Poster Campaign

SBCC Student Health and Wellness and City College Connect collaborated with UCSB on a Bystander Intervention poster campaign. The posters were available during the fall 2014 semester and will go up in Isla Vista and on the SBCC campus.

Vaquero Welcome Workshops

Vaquero Welcome, SBCC's orientation for new to college students, provides a workshop covering topics related to alcohol, drugs, sexual assault, and the consequences of engaging in disruptive behaviors both on and off campus.

------ SERVICES ------

SBCC Services Available at Tropicana Gardens in Isla Vista

Effective fall 2015, SBCC Student Support Services has partnered with Tropicana Gardens to utilize space to offer the following services to all SBCC students living is Isla Vista:

- Personal Counseling
- Academic Counseling

• Course offering: ADC 120 Alcohol and Other Drugs is a survey of the biological, psychological, and sociocultural based theories of chemical dependence from both historical and current perspectives.

Library Services

Supported by the SBCC President's Foundation funds, this pilot project will provide an SBCC librarian at the Associated Students Pardall Center on Wednesdays from 5:30 to 8:30 p.m. for eight weeks during the fall 2015 semester. The librarian will assist SBCC students and community members with research and information literacy skills, using digital library materials and the Internet, basic technology questions, and general homework support. The AS Pardall Center provides free wifi, printing, and four desktop computers for community members to use. Together, SBCC and the AS Pardall Center create a positive and productive study space with professional academic support in the heart of Isla Vista.

----- STUDENT BEHAVIOR ------

Isla Vista Student Behavior Task Force

At the direction of SBCC President Lori Gaskin, a campus task force was created to identify proactive steps that the college can take to help reduce the number of its students who engage in disruptive behaviors while living in or visiting Isla Vista. The task force identified a number of recommended initiatives that are being implemented within the institution's existing capabilities and staff resources.

SBCC Honor Code

SBCC developed and implemented an honor code, which includes an academic and community promise. Commencing with the registration period for summer/fall 2014, all SBCC students have been required to acknowledge that they have read the honor code and will abide by it.

Responding to Complaints

The dean of SBCC's Student Support Services personally responds to complaints from landlords and homeowners in Isla Vista when intervention is necessary on behalf of residents alleged to be SBCC students.

Lease Addendum for Landlords

SBCC legal counsel drafted a lease addendum for landlords to use (if they so choose) that holds SBCC students more accountable for abiding by the college's student code of conduct while residing in leased facilities. The SBCC vice president of business services has met with landlords to encourage their adoption of this lease addendum.

----- GOVERNANCE & INFRASTRUCTURE ------

IV Governance Options Economic Feasibility Study

The college committed \$10,000 to the Isla Vista Governance Options Economic Feasibility Study coordinated by the Fund for Santa Barbara. The SBCC Associated Student Government and the SBCC Foundation also contributed \$1,500 each to this effort.

The following individuals also served on the Oversight Committee for the study:

- Jonathan Abboud, Trustee, Area 6, Santa Barbara City College
- Geoff Green, CEO, Santa Barbara City College Foundation
- Ethan Bertrand, Senator, Associated Student Government, Santa Barbara City College

New SBCC Associated Student Government (ASG) Position to Liaison with Isla Vista

Effective fall 2015, the Associated Student Government ratified its constitution to include a new Isla Vista Community Representative position to provide consistency, continuity, and a presence in matters related to the Isla Vista community as well as to the UCSB Associated Students

AB3

The Isla Vista Relationship Committee of the SBCC Associated Student Government submitted a letter of support for Assemblymember Das Williams' AB 3 Isla Vista Community Services District bill to Assemblymember Brian Maienschein and the Assembly Local Government Committee.

SBCC has made significant strides to improve the safety and security for SBCC students residing in Isla Vista. Working with its students, SBCC has helped to influence the culture of Isla Vista, while enhancing the living and learning environment. SBCC will continue to work with elected officials, institutional stakeholders, and community leaders on these and other key initiatives in the future.

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APPENDIX H: Selections from the Trow Report



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(Following the burning of the Bank of America in Isla Vista on February 25, 1970, the Regents of the University of California established a Commission on Isla Vista to make recommendations that would ameliorate and improve conditions there. Among the members of the commission was Martin Trow, a sociologist at UC Berkeley. The report was presented to the Regents in October 1970.)

If there is one thread running through all of our deliberations and recommendations, it is that the University can no longer ignore, if it ever could, the conditions under which the bulk of its students live and spend the greater part of their time while at the University. What goes on in Isla Vista is as central to the University's life and functions as what goes on in its laboratories and lecture rooms...

Isla Vista is deeply scarred by the events of the past year and its very survival as a place to house a university community is in jeopardy. It has been largely ignored in the past by both the University and the County government and consequently has not developed long-standing institutions. Without indigenous institutions, the community can continue to be torn apart. But if increasing numbers of Isla Vista residents can feel that they are able to improve their own environment, Isla Vista can become a distinguished university community ...

To the extent that UCSB has had a policy toward Isla Vista, it appears to have been to avoid extensive involvement in the affairs of the community. Until some official steps were taken recently to formulate a more aggressive policy, there was no statement of policy ... specifying a philosophy of UCSB relationship to Isla Vista ... The general attitude of the University as perceived by the students, as well as by several members of the administration, has been a hands-off doctrine summed up as: Isla Vista is not University campus; Isla Vista is Isla Vista and the University is the University ...

A report to the Regents by the consulting firm of Pereira & Luckman in 1958 commented on Isla Vista's small lots, narrow streets, lack of sidewalks and absence of street lights. Pereira & Luckman recommended that the University assist the county government in developing a "vital, well-balanced community, which will be most conducive to the University's healthy, long-term growth." It appears that no initiative was taken as a result of the recommendation. The County was not consulted for a joint land use plan for the area, and subsequent UCSB Long Range Plans in 1958, 1963, and 1968 basically ignored Isla Vista ...

UCSB is the most powerful "citizen" in Isla Vista, yet in our opinion it has refused to assume its proportionate civic responsibility ... UCSB is an integral part of the Isla Vista community and UCSB's vital interests are involved in improving the quality of life there... Recent events indicate the need for leadership to aid in the creation of a substructure of community institutions upon which a more stable community can be built ...

UCSB [should] work with community members in constructing new community institutions, ... to make UCSB services to students available where they live (i.e., in Isla Vista), ... [and] continue UCSB's active role in the development of the Isla Vista Community Center ... UCSB should take the lead in working with residents of Isla Vista to develop a community marked by a greater diversity of age, occupations, interest, and other characteristics.... The University should construct apartments (attractive to students with children) in Isla Vista or on parts of its campus adjacent to that part of Isla Vista in which most UCSB students live, [and] encourage faculty members and University employees to live in Isla Vista and to become involved ...

The University [should] use portions of the main campus adjacent to Isla Vista for parks and playing fields ... [E]fforts must be made to blend the dead-end streets of Isla Vista into the campus so that the feeling of a barrier now present there is eliminated ...

APPENDIX I: Examples of MACs



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A MAC would be significantly easier to establish by comparison to a new CSD or new city, although it would not have the ability to raise revenues unless it were given authority over special district revenues. The MAC would hold formal meetings to study, debate, and make recommendations related to the County related to public service needs and options, but would have no formal authority over services. MACs may be formed by the County Board of Supervisors pursuant to California Government Code 31010 et. seq.

The examples below provide only a sample of the types of linkages which have been made between MACs and dedicated revenues sources. A majority of the Board of Supervisors can form a MAC and direct it to advise the County on expenditures of CSA #31 revenue. Given that all CSA #31 revenues are dedicated to street lighting, a new revenues source will be needed to expand the services the MAC would be responsible for advising upon.

MACs

Oak Park, Ventura County

In unincorporated Ventura County, the community of Oak Park is served by a County Service Area and a Municipal Advisory Council. CSA #4 provides street lighting, street sweeping, crossing-guard service, Community Emergency Response Team support services, and public facilities maintenance. The Oak Park Municipal Advisory Council makes recommendations to the Ventura County Board of Supervisors, Planning Commission, Resource Management Agency, Local Agency Formation Commission and chief administrative officer on topics ranging from policing to road improvement, landscaping and budgeting. The council is composed of five elected members. Oak Park CSA provides administrative support and staff support for the Oak Park MAC. The Oak Park CSA is funded through property taxes and service charges while the Ventura County Supervisor's Office funds the Oak Park MAC.

Los Osos, San Luis Obispo County

The Los Osos community in unincorporated San Luis Obispo County is served through a Community Services District, a Community Service Area, and a Community Advisory Council. San Luis Obispo CSA #9 was created in 1973 and provides services to the South Bay, comprising the communities of Los Osos, Baywood Park, Cuesta-by-the-Sea, and surrounding area. In 1998, most of the services provided by CSA 9 were transferred to the newly created Los Osos Community Services District. CSA 9 still provides road maintenance and fire/medical protection to the area east of Los Osos Creek. The Los Osos CSD provides water, fire protection and emergency medical services, drainage, community septic systems, limited parks and recreation, and street lighting services. The Los Osos Community Advisory Council advises the Planning Department, Planning Commission, and the County District 2 Supervisor on land use and community issues.

North Richmond, Contra Costa County

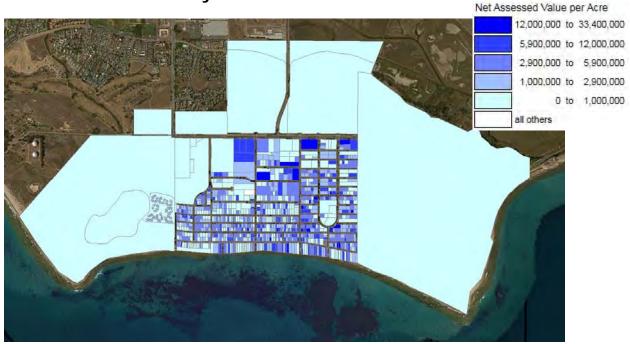
North Richmond is a densely developed, unincorporated area of Contra Costa County, adjacent to the City of Richmond. The community is largely made up of renters and English-language-learners. It is served by a MAC, formed in 1999 to assist the County in community building and resident involvement in public services and projects. The MAC's key advisory role is to provide members to sit on an oversight committee which recommends expenditure of a roughly \$600,000 per year community enrichment fund, funded by mitigation fees from a nearby landfill transfer station.

APPENDIX J:

Background and Other Technical Information

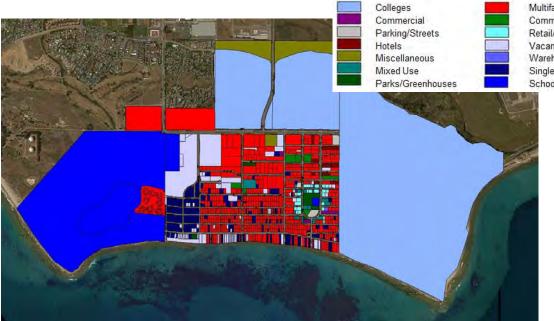


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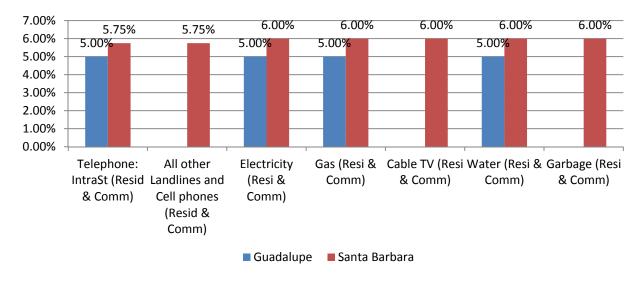
Assessed Value by Parcel

Parcel Land Uses



Multifamily Residential Community Facilities Retail/Restaurants Vacant Warehousing Single Family Residential Schools

Utility Users Tax



Utility Users Tax Rates in Cities in Santa Barbara County

Utility Users Taxes – Collected per Capita in Cities in Santa Barbara County

City	UUT	Revenue per	% General Fund
	Revenue	Capita	Revenue
Santa Barbara	\$14,016,381	\$155	13%
Guadalupe	\$234,127	\$32	8%

(1) Santa Barbara data for FY2014; Guadalupe data for FY2013

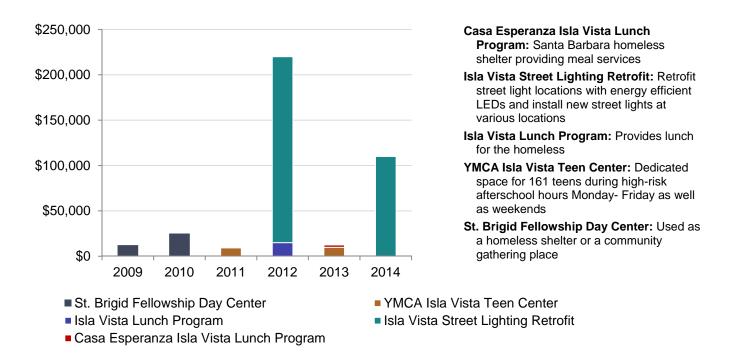
(2) Guadalupe voters passed Measure V in November of 2014 which removed the city's utility user's tax annual cap of \$2,250. The City projects that this measure will generate \$100,000 extra UUT revenue per year.

Source: City CAFRs; Economic & Planning Systems, Inc.

CDBG

Community Development Block Grants to Isla Vista

The County of Santa Barbara is the lead agency in the Santa Barbara Urban County Partnership (Urban County) formed with the cities of Buellton, Carpinteria, Lompoc and Solvang. Isla Vista makes up about 10 percent of the combined populations of these cities plus the unincorporated area served by the program. The Urban County receives Community Development Block Grant (CDBG) funding annually that is distributed among the member jurisdictions.



Jurisdiction	Distribution	Administration 20% (of which Lompoc receives 25%)	Pro Rata Share for Public Services	Pro Rata Share for Capital and Other Eligible Projects
County	63.39%	\$237,638	\$150,646	\$652,799
Buellton	2.40%		5,703	24,713
Carpinteria	6.57%		15,610	67,644
Lompoc	25%	79,213	59,409	257,441
Solvang	2.64%		6,269	27,166
TOTAL	100%	\$316,850	\$237,638	1,029,764

Community Development Block Grant (CDBG) Distribution to Partner Cities (2015)

Total CDBG Allocation: \$1,584,252

Economic & Planning Systems, Inc.

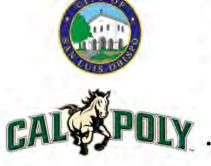
2013 Expenditure Report for CDBG Grants

Subtotal for : General Administration and Planning		350,559.15	17.01%		
21A	AP	General Program Administration	350,559.15	17.01%	
Subtota	l for : Publi	c Services	234,614.85	11.38%	
05M	PS	Health Services	14,794.00	0.72%	_
051	PS	Crime Awareness	26,024.00	1.26%	
05D	PS	Youth Services	20,103.00	0.98%	
05A	PS	Senior Services	27,408.00	1.33%	
05	PS	Public Services (General)	64,340.00	3.12%	
ОЗТ	PS	Operating Costs of Homeless/AIDS Patients Programs	81,945.85	3.98%	
Subtota	l for : Publi	c Facilities and Improvements	1,240,855.37	60.21%	
03L	PI	Sidewalks	173,058.00	8.40%	
03K	PI	Street Improvements	198,795.50	9.65%	
03F	PI	Parks, Recreational Facilities	86,049.99	4.18%	
03E	PI	Neighborhood Facilities	382,273.98	18.55%	
03C	PI	Homeless Facilities (not operating costs)	295,598.00	14.34%	
03	PI	Public Facilities and Improvement (General)	105,079.90	5.10%	
Subtota	l for : Hous	ing	184,770.49	8.97%	
15	HR	Code Enforcement	113,562.49	5.51%	
14B	HR	Rehab; Multi-Unit Residential	37,954.00	1.84%	
14A	HR	Rehab; Single-Unit Residential	33,254.00	1.61%	
Subtota	I for : Econo	omic Development	50,000.00	2.43%	
18C	ED	Micro-Enterprise Assistance	50,000.00	2.43%	
Code	Group	Matrix Code Name	Disbursements	of Total	_
Matrix	Activity			Percent	
UAN (DEVEL	from 07-01-2013 to 06-30-2014			
URBAN	and and	Use of CDBG Funds by SANTA BARBARA COUNTY, CA			
	1	Expenditure Report			
*	+ 10	Integrated Disbursement and Information System		PAGE:	1
8 11	all %	U.S. Department of Housing and Urban Development		TIME:	15:0
ARTINE	NTOPHO	Office of Community Planning and Development		DATE:	01-12-15

Public Safety Near Colleges Program Research

Student Neighborhood Assistance Program (SNAP), San Luis Obispo

San Luis Obispo, SNAP



 The Student Neighborhood Assistance Program (SNAP) is a program run by SLO Police Department utilizing student employees to act as first responders to noise complaints and parking violations

 Offers mediation services, neighborhood education programs, and information regarding noise ordinances

- In 2014, SNAP issued 90% of noise warnings
- Average annual citation fees: \$140,000
- Average annual program costs: \$180,000



Off-Campus Housing

& Neighborhood Relations

University of Colorado, Boulder

Party Registration – On-campus follow-up for off-campus citations

University of Colorado, Boulder

City policing focuses on additional community policing Thurs-Sunday.

University has several relevant neighborhood programs, run by department with 2 <u>FTEs+part-</u> <u>time</u> students:

• Party registration allows students to register party and receive a warning if there is a noise complaint, can avoid a citation if shut down the party in 20 minutes.







- University programs (continued)
 - University follow-up on offcampus citations. Univ of CO sends email to student immediately after citations are issued. Requires student to attend "community living" class. Judicial process sometimes allows a restorative justice option for first offense.
 - Landlord Tenant Board provides non-binding opinions on disputes (often security deposits)

Berkeley Rent Board Budget

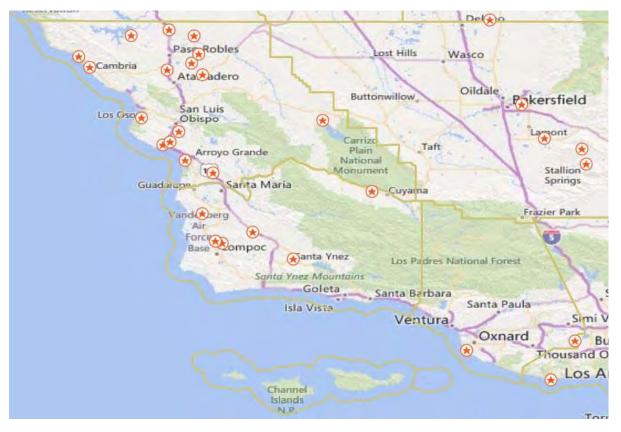
	Rent Stabilization Program FUND 440 FY 2014-2015 ADOPTED BUDGET	
		Approved
Code	Description	FY 2015
11-01	Monthly Employees	2,075,000
11-03	Hourly Employees	0
13-01	Overtime Benefits	1,900
27-20		1,300,000
30-12	Stipends	53,500
30-23	Misc. Legal Expenses	4,000
30-36	Temp. Agency Employees Misc. Professional Services	2,000
30-38		290,000
30-42	Office Equip. Mtc. / Copy Machine	8,000
30-43 30-51	Bldg. & Structures Mtc. Svc.	1,000
	Bank Credit Card Fees	20,000
40-10	Professional Dues & Fees	2,500
40-31	Telephones	3,000
40-50	Printing & Binding	40,000
40-61	Commercial Travel	1,000
40-62	Meals & Lodging	200
40-63	Registration Fees	2,000
40-64	Transportation	500
40-70	Advertising/public access	50,000
40-80	Books & Publications	12,200
50-10	Rental of Land / Buildings	225,000
51-10	Postage	55,000
51-20	Messenger / Delivery	1,200
55-11	Office Supplies	20,000
55-50	Food	1,000
70-41	Office Equipment and Furniture	5,000
70-44	Computers, Printers, Software	4,000
75-25	PC Replacement Contribution	9,500
75-35	Mail Services	3,500
75-50	City Vehicle / Fuel & Maint.	3,000
	Displacement Reimbursement Offset	1,000
	Expenditure Subtotal	4,195,000
	CIP (RTS Upgrade, Grand Jury Study)	50,000
	Total Fund Expenditures	4,245,000
	Total Fund Revenue	3,900,000
	Annual Surplus/Shortfall	(345,000)
	FUND BALANCE (cash basis)	340,000
	Carryover for services received in FY14	0
	FUND BALANCE (accrual basis)	340,000

South Pasadena Permit Parking Program

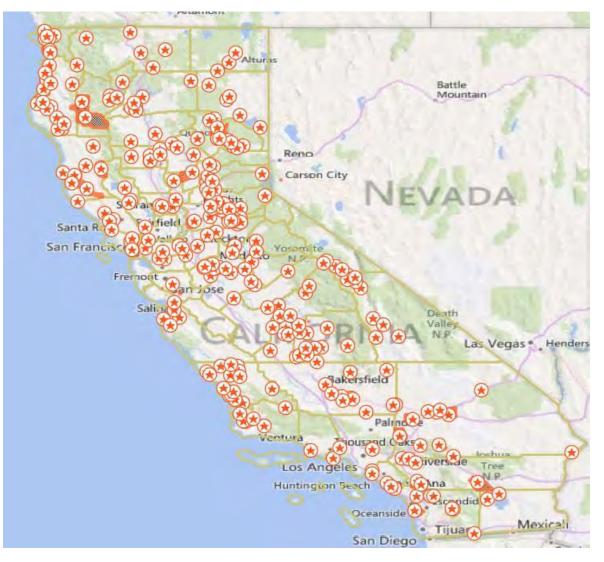


Reference Maps

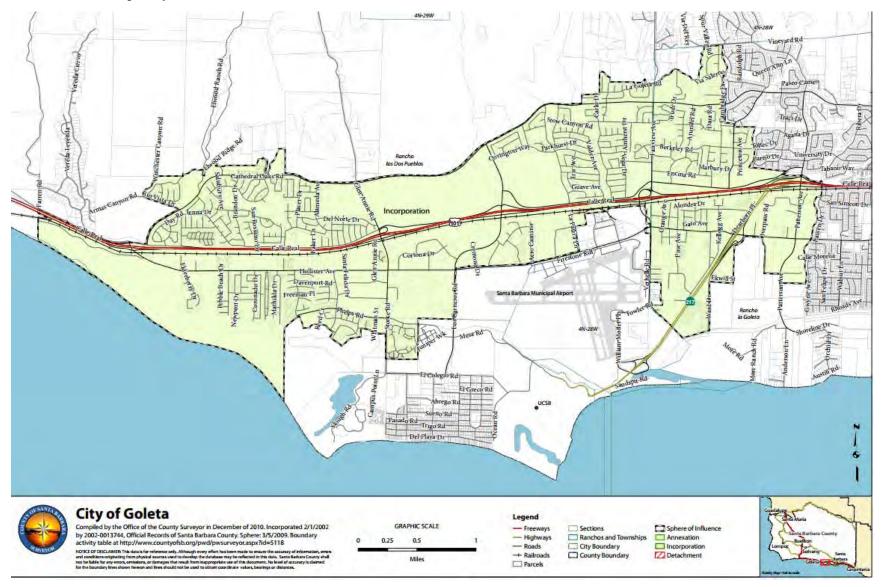
CSDs near Isla Vista



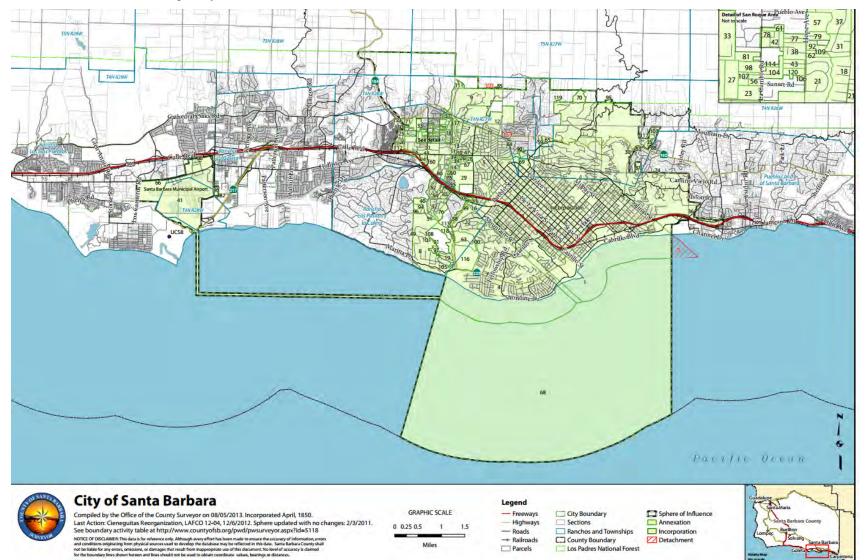
Statewide: CSDs



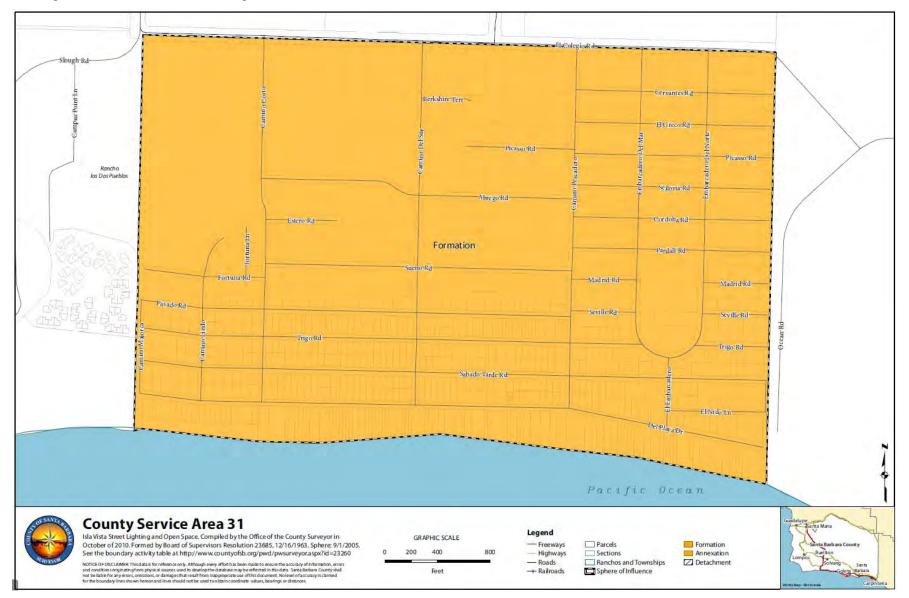
Goleta Boundary Map



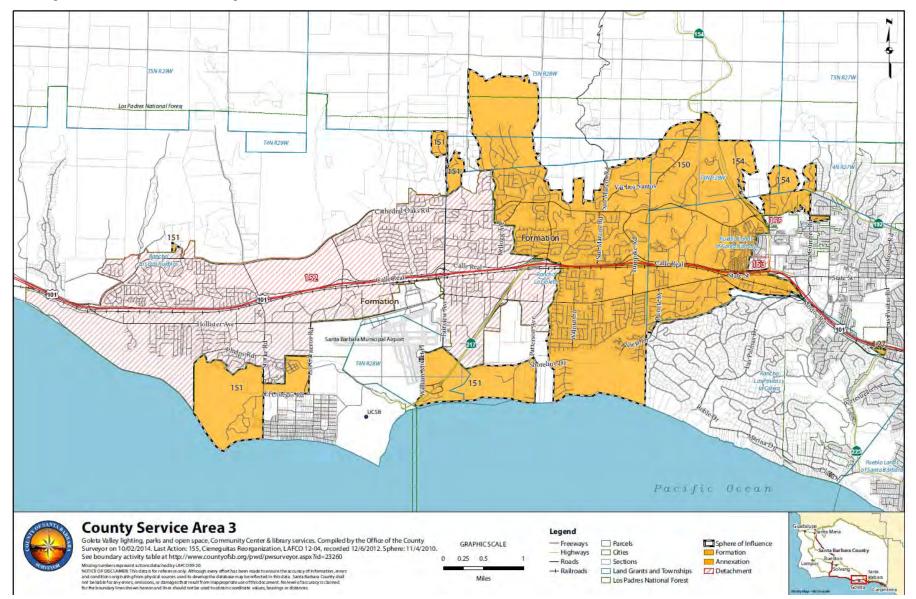
Santa Barbara Boundary Map



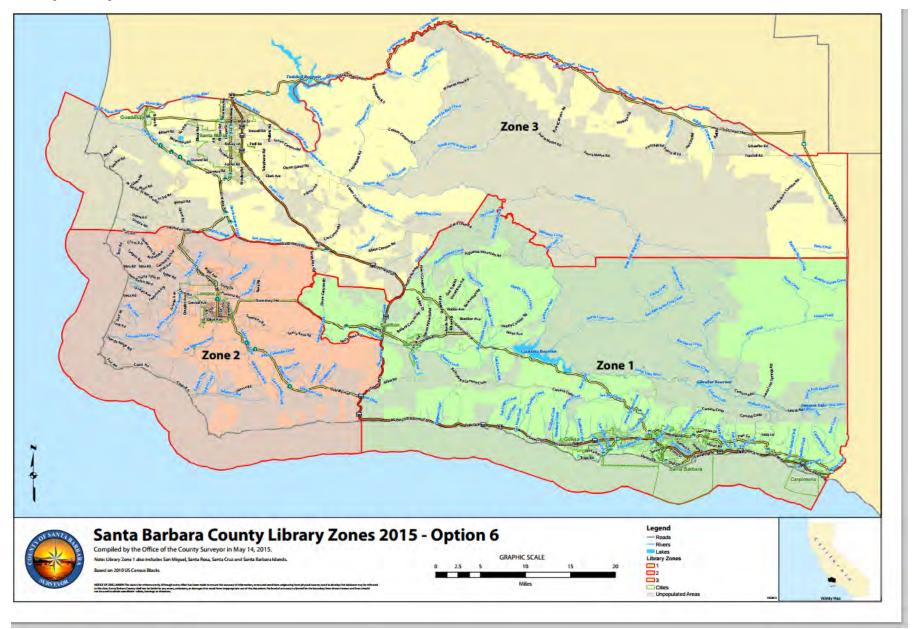
County Service Area 31 Boundary



County Service Area 3 Boundary



County Library Zones 2015



CSA #31 Resolution

See attached.

Board in opposition to subject proposal, stating he felt this was more for a special interest group.

Walter Schwank, President of the Isla Vista Improvement Association, appeared before the Board in favor of the formation as a measure of equity.

There being no further persons to appear before the Board or written statements submitted for or against said proposal;

Upon motion of Supervisor Grant, seconded by Supervisor Campbell, and carried unanimously, the following resolution was passed and adopted:

<u>In the Matter</u> of the Formation of County Service Area No. 31 in Isla Vista, Goleta Valley, Santa Barbara County.

RESOLUTION NO. 23685

WHEREAS, on November 12, 1963, this Board of Supervisors, by Resolution No. 23618, did declare its intention to form the territory hereinafter described, into a county service area pursuant to the provisions of Chapter 2.2 of Part 1 of Division 2 of Title 3 of the Government Code; and

WHEREAS, the Board of Supervisors, by said resolution, fixed the 16th day of December, 1963, at 2:00 P.M., in the Supervisors Room, County Courthouse, Santa Barbara, California, as the time and place for hearing the matter of formation of said area; and

WHEREAS, the Clerk of this Board caused a notice of such hearing to be published in accordance with the provisions of Government Code section 25210.16; and

WHEREAS, on December 16, 1963, at 2:00 P.M., in the Supervisors Room of said county, the matter of the proposed formation of said county service area was duly heard and evidence, both oral and documentary, having been received and no written objections having been filed, and no person appearing having objected to the inclusion of any territory within the proposed area, and the matter having been submitted to this Board of Supervisors for its determination,

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED, FOUND AND DETERMINED as follows:

1. That the foregoing recitations are true and correct.

2. That the hereinafter enumerated services are extended county services.

3. That the extended county services to be provided by the proposed

county service area are: (1) street lighting; (2) police protection; (3) installation, maintenance and repair of sidewalks, curbs and gutters; and (4) planting, maintenance and care of street trees.

4. That a tax or taxes sufficient to pay for all or any of such services which are furnished on an extended basis will be annually levied upon all taxable property within the said area.

5. That said county service area, to be known as "County Service Area No. 31", be and the same is hereby established and the boundaries are hereby fixed and defined as follows:

All that territory situated in the County of Santa Barbara, State of California, described as follows:

tion of y Service No. 31 in Vista, a Valley.

Beginning at the point of intersection of the southerly prolongation

of the east line of that certain 66.87 acre tract of land, as said tract is

the Division of The Campbell Ranch, being a part of the Dos Pueblos Rancho, Santa Barbara County, California," said map being recorded in Book 18 at page 139 of Record of Surveys in the Office of the Santa Barbara County Recorder, with the mean high tide line of the Pacific Ocean; thence northerly along said prolongation to and along the easterly line of said 66.87 acre tract of land to the south line of that certain 40.00 foot County Road shown upon the map thereof filed in the office of the Santa Barbara County Surveyor as County Surveyor's Map No. 564; thence easterly along the south line of said 40.00 foot County Road to the east line of "The Ocean Terrace Tract" as said tract is shown upon the map thereof recorded in Book 15 at pages 101 to 103 inclusive of Maps in the Office of said County Recorder; thence southerly along the easterly line of said Ocean Terrace Tract and its prolongation southerly to the mean high tide line of the Pacific Ocean; thence westerly along said mean high tide line of the Pacific Ocean to the point of beginning.

6. That the exterior boundaries of said County Service Area No. 31, as hereinabove established, include only unincorporated territory located entirely within the County of Santa Barbara.

7. That the Clerk of this Board is hereby directed to file a certified copy of this resolution in the office of the County Assessor and the State Board of Equalization, in compliance with Government Code sections 54900 et seq.

Passed and adopted by the Board of Supervisors of the County of Santa Barbara, State of California, this 16th day of December, 1963, by the following vote:

> Ayes: C. W. Bradbury, Joe J. Callahan, Daniel G. Grant, Veril C. Campbell, and Curtis Tunnell Noes: None Absent: None

In the Matter of Continued Hearing on Proposed Annexation of Off-Shore Tidelands Area to County Service Area No. 3 in Goleta Valley.

Dana Smith, Assistant County Counsel, appeared before the Board stating that this matter was considered because there were written protests filed and it was necessary to determine whether the written protest of Richfield Oil Corporation came within the terms of Section 25210.84A of the Government Code dealing with county service area annexation proceedings. A report from the County Assessor indicated that the assessed value of Richfield in subject territory is \$127,600.00; the State's share of the value determined on the property (State exemption) is \$92,680.00. Richfield Oil Corporation's interest is a leasehold, a right to take the oil, Richfield's value would be more than onehalf of the value of the territory proposed to be annexed as shown on the last equalized assessment roll; thereby; the protest would overrule further annexation proceedings.

Upon motion of Supervisor Grant, seconded by Supervisor Campbell, and carried unanimously, it is ordered that annexation proceedings of off-shore tidelands territory to County Service Area No. 3 in Goleta Valley be, and the

Continued Hearing on Proposed Annexation of Off-Shore Tidelands Area to County Service Area No. 3 in Goleta Valley.

same are hereby, abandoned, in view of the statements made by the Assistant County Counsel.