



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 30, 2010  
**TO:** Mayor and Councilmembers  
**FROM:** Administration Division, Finance Department  
**SUBJECT:** Property Tax Exchange Agreements For Las Canoas Reorganization  
**RECOMMENDATION:** That Council:

- A. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara in the Matter of Providing for a Negotiated Exchange of Property Tax Revenues Pertaining to the Las Canoas Reorganization, an Annexation of Property Referred to as Parcel A Located at 2030 Las Canoas Road (APN 021-010-061) to the City of Santa Barbara, Detachment from the Santa Barbara County Fire Protection District and Detachment from County Service Areas 32 and 12; and
- B. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara in the Matter of Providing for a Negotiated Exchange of Property Tax Revenues Pertaining to the Las Canoas Reorganization, a Concurrent Annexation of a Narrow Strip of Land Underlying Calle Real near Old Mill Road Referred to as Parcel B to the City of Santa Barbara, Detachment from the Santa Barbara County Fire Protection District, Detachment from the Goleta Water District and Detachment from County Service Areas 3 and 32.

### **DISCUSSION:**

The resolutions recommended for adoption relate to the annexation of two small parcels of land from the County to the City, the second of which is part of a minor clean-up of a previous annexation effort. The County and City must adopt a resolution for any negotiated exchange of property taxes assessed to the parcels before the proposed annexations can be approved by the Local Agency Formation Commission (LAFCO). Both resolutions are needed to complete annexations of two properties, also referred to as the "Las Canoas Reorganization Parcels A and B (LAFCO 09-8)."

In 1989 the owners of 2030 Las Canoas Road granted a landscape and use easement for a 1.7 acre property (APN 021-010-061) in the unincorporated area of Santa Barbara County to the owners of 730 Las Canoas Place (APN 021-030-039), a parcel located in the City.

On November of 2006, the Planning Commission approved a lot line adjustment between the two properties that would result in the easement area becoming part of the 730 Las Canoas Place parcel, contingent upon the easement area being annexed to the City. Accordingly, the City has submitted an application to the LAFCO to annex this parcel to the City.

This resolution approves a property tax exchange agreement for the affected parcel, which has an assessed value of \$590,459, with assessed property taxes of \$5,905 (1%). The resolution provides that the City will receive a total of 11.96253638% of the total assessment, equating to \$706 per year. The allocation rate was based on the allocation of property taxes of an adjacent parcel.

The second resolution relates to a small strip of land underlying a portion of Calle Real roadway near Old Mill Road, fronting the St. Vincent's property, referred to as Parcel B of Las Canoas Reorganization. This narrow portion of the roadway along the Highway 101 soundwall was inadvertently not surveyed and excluded when the adjacent main portion of Calle Real was annexed to the City as part of the St. Vincent's Reorganization in October 2002. This final shoulder portion of Calle Real should be annexed because it is presently maintained by the City, and it contains an existing bus shelter located partially within City limits. While this parcel is an untaxed public road right-of-way and has no revenue implications, staff is required to submit a resolution on tax revenue sharing to LAFCO to correct the previous omission of this annexation.

**SUBMITTED BY:** Robert Samario, Interim Finance Director

**APPROVED BY:** City Administrator's Office