

California

PROPERTY TAX INFORMATION



*County Service Areas
provide expanded
services tailored to
specific unincorporated
areas of a county.*

www.californiataxdata.com

100 Pacifica, Suite 470
Irvine, California 92618
Tel 949-789-0660
Fax 949-788-0280

What is a County Service Area?

Background

In unincorporated areas, basic services like water, sewer, police and fire protection are provided by the county. Because counties often consist of large and diverse geographical areas, providing a consistent and adequate service level across all areas can be difficult. Residents of urban communities may want more services than those residing in rural areas. The County Service Area Law (Government Code §25210.1 *et seq.*) was created in the 1950's to provide a means of providing expanded service levels in areas where residents are willing to pay for the extra service.

The County Service Area Law

The law allows residents or county supervisors to initiate the formation of a County Service Area (or "CSA"). A CSA is authorized to provide a wide variety of services, including extended police protection, fire protection, park and recreation facilities, libraries, low power television and translation facilities and services. CSAs also may provide other basic services such as water and garbage collection if they are not already performed on a countywide basis.

A CSA may span all unincorporated areas of a county or only selected portions. A CSA may issue General Obligation or Revenue Bonds, or form improvement areas for the purpose of issuing bonds that specifically benefit, and will be charged to, only part of the CSA. Any bond issuance or other long-term debt will require approval of voters residing within the CSA.

Why is a County Service Area Needed?

CSAs allow small communities in unincorporated areas to pay for and receive specific services from the county. If residents are willing to pay, they can receive the types of services and improvements not available in other areas of the county. There is no cost to residents of other areas of the county who do not wish to receive the additional services.

How is a County Service Area Formed?

A CSA is initiated by a petition of registered voters or by adoption of a resolution at the county level. Once proposed, the formation of the CSA will be subject to public notice and a public hearing. If more than 50% of registered voters or landowners protest, the CSA may need to be subject to voter approval at a special election. Once approved, the CSA is normally granted limited powers and the county board of supervisors act as the CSA board.

How is the Annual Charge Determined?

When a CSA exists, the property owner will pay taxes and fees to the CSA instead of the county for the services provided. These will be billed as line items on the county property tax bill. The taxes may take a variety of forms:

- General property taxes may be levied depending upon Prop. 13 constraints. These taxes, referred to as "ad valorem taxes", are based on assessed value.
- Special taxes may be levied for specific purposes. These taxes must be approved by a 2/3rds vote of CSA residents.
- Benefit assessments may be levied for specific purposes and are based on the direct benefit each parcel receives from the improvements or services financed. These charges are subject to annual approval at a public hearing.
- Water or sewer standby charges may be levied to ensure future availability of service, subject to certain limitations.

Additionally, the CSA may charge these fees and taxes according to zones to more accurately bill residents for the particular services provided to their individual property.

How Long Will the Charge Continue?

CSA charges will continue as long as the CSA is providing services to the community.