

FREQUENTLY ASKED QUESTIONS (FAQs) #2 Draft

Not all of the questions raised in this document can be answered at this time. This is certainly not the complete list of issues either. We invite you to raise any additional questions or concerns by writing the Community Association Board at P.O. Box 215 Sunset Beach, California 90742, or by e-mailing to contactus@sunsetbeachca.org. This list will continue to be updated as we proceed with exploring the potential to incorporate Sunset Beach. Thank you for your active participation.

1. Why can't Sunset Beach just stay the way it is, with the County managing all services?

Due to state and county budget restraints, the County of Orange is trying to eliminate unincorporated "islands" (like Sunset Beach) and no longer provide services. Local Agency Formation Commission (LAFCO), is the County organization tasked with eliminating the county islands. LAFCO has unilateral decision making authority and voted in July 2009 to place Sunset Beach in the sphere of influence of Huntington Beach. This sets up the process for the community of Sunset Beach, including the beach and greenbelt, to be annexed into the City of Huntington Beach.

2. What is the official entity recognized by County Government and City of Huntington Beach, as representing the community of Sunset Beach?

The Sunset Beach Community Association Board and Committees.

3. A survey questionnaire was recently sent to property owners and registered voters relative to annexation and incorporation preferences. What were the results of the survey?

The survey indicated the majority of people favored incorporation. Many others were undecided and require solid information on revenue and expenses. Another indication of support for continuing the study of feasibility of incorporation was the amount of funds donated. Over \$36,000.00 has been received. Many of the contributions were from people who indicated they were undecided. We are still collecting donations.

4. What is LAFCO?

Local Agency Formation Commission (LAFCO) was established by the California Legislature in 1963. Assemblyman Gotch sponsored AB1335 that increased LAFCO's authority; 1993 legislation was enacted to authorize LAFCOs to initiate reorganizations and consolidations of special districts.

5. Who is on the LAFCO Board?

Susan Wilson	Public Member, Chair
Patricia Bates	Alternate County Member – Supervisor 5 th District
Cheryl Brothers	City Member – Councilmember of Fountain Valley
Bill Campbell	County Member – Supervisor 3 rd District
Peter Herzog	City member, Vice Chair – Councilmember Lake Forest
Patsy Marshall	Alternate City Member

Derek McGregor	Alternate Public Member
John Moorlach	County Member – Supervisor 2 nd District
Arlene Schafer	Special District Member – Director, of Costa Mesa Sanitary Dist.
Charley Wilson	Alternate Special District – Director, Santa Margarita Water Dist.
John Withers	Special District Member – Director, Irvine Ranch Water Dist.
Joyce Crosswaite	Executive Officer

6. What is our County Supervisor’s position on this issue?

- a. **If Huntington Beach annexes?**
- b. **If Sunset Beach incorporates?**

The Supervisor’s position is currently in favor of annexation to Huntington Beach.

7. What is the process for application to incorporate with LAFCO?

The process for incorporation of a city is to notify LAFCO with a Notice of Intent to Circulate a Petition, compile an application, circulate petitions, create a fiscal impact report and file other documents. LAFCO has said fundraising is key to successful incorporation.

8. Who approves the application? When?

LAFCO evaluates and approves the applications

9. How much does it cost to file an application?

The cost varies depending on the amount of time to review all the documents. LAFCO also makes their own fiscal analysis to determine if we can support ourselves as a city. When filing, an initial amount is needed to show intent (Rossmoor submitted \$7000). The total cost is estimated to be \$100,000.

10. How long does it take to approve an application?

We would have 6 months to compile surveys and the necessary information. LAFCO would then take time to review all the signatures on the petition, initial feasibility study, and other important documents. The entire process can take 1 to 2 years.

11. Who votes to approve the incorporation?

- a. **The registered voters?**
- b. **The property owners?**

When an incorporation process is approved by the LAFCO Board, the final step is a vote by the people who are registered to vote in Sunset Beach. An approval of 51% is required for incorporation.

12. Why was Sunset Beach placed in the sphere of influence of Huntington Beach?

On July 8, 2009 the LAFCO board decided to place Sunset Beach under the sphere of influence of Huntington Beach. At the same time our Sanitary District was deemed to have it’s own sphere of influence.

13. Why do the residents of Sunset Beach not get to vote on the issue of annexation?

The right to annex Sunset Beach was made available to Huntington Beach with LAFCO's decision of sphere of Influence. Sunset Beach will not be allowed to vote to stay with the County because "islands" which are less than 150 acres are not allowed such a vote. Sunset Beach is less than 150 acres, and the attorney engaged by the Sunset Beach Community Association (SBCA) has reviewed and confirmed that we cannot vote on this, unless Huntington Beach proposes a tax as a part of annexation.

14. Is there still a possibility that Huntington Beach will not annex Sunset Beach?

Indications are that HB will decide to annex SB if HB determines that the annexation will not cost HB any money (i.e., that they will get at least as much revenue from SB as it costs to maintain and administer SB). HB can annex SB simply by submitting notice to LAFCO. They are not required to notify SB either way. The Mayor of HB has made a number of remarks showing interest. He has also stated they are confident we would be revenue neutral for HB to annex. They would stretch their existing services that they already provide to their own community at our border. With HB's recent budget cuts and lay-offs of police and other community services, it is not known how that would affect SB if annexed? A motion to annex SB then goes to LAFCO for decision.

If HB proposes to annex, SB we will get to vote to approve to pay HB utility taxes. If the taxes are rejected, this may hinder HB annexation attempts.

15. Who will patrol Sunset Beach for police and fire, if Huntington Beach goes through with annexation? Will the County still patrol the beach and greenbelt?

If we are annexed to HB we will then be treated by HB and will be patrolled by the HB police and served by HB fire departments. The beach and greenbelt will also be controlled by HB.

16. Will the current Sunset Beach Post Office be closed if Huntington Beach annexes Sunset Beach?

The Post Office is a Federal entity and its future would not be determined by HB.

17. Will there be a change in code enforcement of buildings in Sunset Beach:

- a. **If Huntington Beach annexes?**
Yes, will be under HB's code enforcement.
- b. **If Sunset Beach incorporates?**
Yes, will be under SB's code enforcement.

18. Will there be parking meters in Sunset Beach and parking violation enforcement:

It is against current Sunset Beach Local Coastal Plan (LCP) rules to have parking meters. If Huntington Beach or Sunset Beach changes the LCP, it is possible that the parking rules may change. Since the County currently reports that Sunset Beach does not produce enough revenue to cover its cost of services, all potential sources of revenue will be considered for all scenarios.

19. How many votes are required to approve incorporation of Sunset Beach as an independent city?

To approve incorporation it would take 51% of the registered voters in Sunset Beach to approve it.

20. What will the budget be for an independent city of Sunset Beach year 1-5?

This is currently being evaluated and part of the submission to LAFCO for their approval. When the information is completed it will be shared with our community.

21. Will Sunset Beach, as an incorporated city, have opportunity to increase the city's revenue?

There are a number of different sources of revenue that a typical city relies upon for funding. These include traditional things like property tax, sales tax, vehicle registration fees and business licenses. Some of these are collected by the state and distributed to cities on a prorated basis. Other options that would be available to Sunset Beach require study to determine their feasibility. This is part of the process that will take place in the application process with LAFCO

22. Who pays for the incorporation process?

Contributions from the community are the most common way. There are other options that may be available. LAFCO considers community fundraising of key importance showing community commitment and involvement in the process. This is another area that needs to be discussed with LAFCO and county staff. It is possible that some of the fees required can be mitigated.

23. How much does the incorporation process cost?

Estimates have been given by LAFCO of \$100,000.00 - \$150,000.00 to complete the application process. These fees are required as a deposit for LAFCO staff to assist with the feasibility study, before a vote for incorporation is taken.

24. If Sunset Beach is annexed by Huntington Beach who will represent us on the Huntington Beach City Council?

This question requires additional research. It will be referred to the Sunset Beach Community Association members who are meeting with Huntington Beach city officials.

25. Will the current Sunset Beach Local Coastal Plan be changed?

- a. **If annexed to Huntington Beach?**
- b. **If Sunset Beach is incorporated as an independent city?**

HB has changed it's LCP bylaws and zoning over 15 times in recent years. Their future Local Coastal Plan is undetermined. This question requires additional research. It will be referred to the Sunset Beach Community LCP Committee for review.

26. How will management of the beach area change if Sunset Beach is annexed to Huntington Beach, or if Sunset Beach is incorporated?

This question requires additional research. It may not be possible to determine if any change will occur until after annexation takes place. This is one of the areas that need to be explored further with Huntington Beach city governance.

If Sunset Beach is incorporated, management of the beach area would be contracted to a vendor, to be determined by our city council. Such vendors may include our Sanitary District.

27. How will the management of the green belt change if Sunset Beach is annexed to Huntington Beach?

This question requires additional research. It may not be possible to determine if any change will occur until after annexation takes place. This is one of the areas that need to be explored further with Huntington Beach city governance.

If Sunset Beach is incorporated, residents would be in charge of all governance and decisions locally. The registered voters of Sunset Beach would determine our city council and decisions requiring a ballot vote. We would have control of the green belt.

28. Will there be new requirements for businesses in Sunset Beach?

a. If annexed to Huntington Beach?

This question requires additional research. It may not be possible to determine if any change will occur until after annexation has taken place. This is one of the areas that need to be explored further with Huntington Beach city governance.

b. If Sunset Beach is incorporated as an independent city?

If Sunset Beach is incorporated, residents would be in charge of all governance and decisions locally. The registered voters of Sunset Beach would determine our city council and decisions requiring a ballot vote. This is another reason for Sunset Beach residents to maintain local control.

29. Will the schools where my children attend be changed?

a. If annexed to Huntington Beach?

b. If Sunset Beach is incorporated as an independent city?

No, boundaries for school districts are established independent of city governance.

30. Who will pay for the costs of maintaining highways and traffic signals, signs, etc. ?

a. If annexed to Huntington Beach?

b. If Sunset Beach is incorporated as an independent city?

Highway maintenance and traffic signals on Pacific Coast Highway are maintained with contributions from both state, county and city governments. The full extent of responsibility for these costs is one of the areas that require further investigation in determining the feasibility of incorporation.

31. What type of governance will there be if Sunset Beach becomes an independent city?

If Sunset Beach is incorporated, residents would be in charge of all governance and decisions locally. The registered voters of Sunset Beach would determine our city council by requiring a ballot vote.

32. Why can't we simply form a home owner's association that manages the maintenance of the community and pay dues to offset the County's deficit for running Sunset Beach?

By placing Sunset Beach in the Huntington Beach sphere of influence, LAFCO has already paved the way for annexation to occur. Unless Huntington Beach is unsuccessful in its annexation plans, or declines to annex Sunset Beach, and Sunset Beach residents reject the option of incorporation, LAFCO will not consider other alternatives.

33. What will happen to our parking permits?

a. If annexed to Huntington Beach?

This question requires additional research. It may not be possible to determine if any change will occur until after annexation takes place. This is one of the areas that need to be explored further with Huntington Beach city governance.

b. If Sunset Beach is incorporated as an independent city?

If Sunset Beach is incorporated, residents would be in charge of all governance and decisions locally. The registered voters of Sunset Beach would determine our city council and decisions requiring a ballot vote.

34. What will happen to our permits for our decks in the 20' encroachment area on the beach?

a. If annexed to Huntington Beach?

This question requires additional research. It may not be possible to determine if any change will occur until after annexation has actually occurred. This is one of the areas that need to be explored further with Huntington Beach city governance.

b. If Sunset Beach is incorporated as an independent city?

If Sunset Beach is incorporated, residents would be in charge of all governance and decisions locally. The registered voters of Sunset Beach would determine our city council and decisions requiring a ballot vote.

35. What happens if there are not enough votes to incorporate Sunset Beach and Huntington Beach decides not annex us?

This question requires additional research with LAFCO staff. It has been threatened that the county would then begin to reduce, or delay services to Sunset Beach, in order to cut costs.

36. Will there still be a volunteer fire department in Sunset Beach?

a. If annexed to Huntington Beach?

This question requires additional research. It may not be possible to determine if any change will occur until after annexation has actually taken place. This is one of the

areas that need to be explored further with Huntington Beach city governance. We would probably be absorbed into the Huntington Beach Fire Department.

b. If Sunset Beach is incorporated as an independent city?

Huntington Beach is most often the first responder for Sunset Beach, and would probably be contracted to continue this service. If Sunset Beach is incorporated, residents would be in charge of all governance and decisions locally. The registered voters of Sunset Beach would determine our city council and decisions requiring a ballot vote. We are currently served under the Orange County Fire Authority. This would probably continue.

37. What will happen to the Community Center?

a. If annexed to Huntington Beach?

b. If Sunset Beach is incorporated as an independent city?

This question requires additional research. This is one of the areas that need to be explored further with county staff and Huntington Beach city governance.

38. Who owns the Sunset Beach Sanitary District?

We have our own Sanitary District which is paid for by our property taxes. The Sanitary District maintains our sewers and trash collection. It is the best run Sanitary District in Orange County. The Sanitary District encompasses Surfside as well as Sunset Beach. They have meetings on the 2nd Thursday of each month at 7:00 PM at the Women's Club on Bayview Drive and Broadway. The meetings are open to all.

39. How will the sanitary district operate?

a. If annexed to Huntington Beach?

b. If Sunset Beach is incorporated as an independent city?

This question requires further review. It will be referred to the board of the Sanitary District for their comments.

40. If I oppose annexation by Huntington Beach, does it help to e-mail the Huntington Beach City Council and Mayor?

We don't know. But, it can't hurt! You can contact Gretchen Hoad to be informed and receive up to date emails.. GAHoad@verizon.net

41. What if I favor annexation? How can I show my support?

It is possible that another committee will be formed to work in support of annexation.

42. Why did we get a mailer from the Association of Orange County Deputy Sheriff's PAC?

The Orange County Deputy Sheriffs currently provide police protection for the Sunset Beach community. They would like to continue to service the community and not have their budget cut by the county, or lose any jobs. If annexation were to occur, the sheriffs would likely be replaced by Huntington Beach Police personnel.

43. Is there a Save Sunset Beach Organization? Who is running it?

There is no such organization that we know of currently active from within our community. There is a website currently under construction that is referenced in a flyer that was handed out by the Association of Orange County Deputy Sheriff's

44. I have been asked to sign petitions. Should I sign any petition to incorporate Sunset Beach? How do I know which ones to sign?

At this time, there is another petition that has being circulated by the Association of Orange County Sheriff's Deputies. This petition is asking for support against annexation, but does not support incorporation of Sunset Beach as an independent city. Opportunities to work together with all interested stakeholders need to be identified and cultivated by the community.

45. If I give a contribution as requested in the survey questionnaire, how will it be used?

All contributions will be placed into a special account that has been established to be used for the purpose of investigating the feasibility of incorporation of Sunset Beach as an independent city.

46. Who will have the authority to decide how much to spend for what?

The Sunset Beach Community Association Board makes appropriations for all association funds.

47. Why can't we approach Seal Beach again about being annexed by them?

The Seal Beach City Council had three options regarding Sunset Beach annexation. The first was to proceed with pursuing annexation. The second was to further study the option of annexation./ The third was to completely drop the whole idea. They voted to drop it because there were numerous Seal Beach residents who spoke and were adamantly opposed to the annexation of Sunset Beach.

48. Is my contribution tax deductible as a charitable contribution?

As always, the question of deductibility for tax purposes is always best answered by your tax professional.

The Sunset Beach Community Association is a non-profit corporation. The activities of the association include conducting education of the community regarding relevant issues. This is in keeping with its purpose and mission.