

BOARD OF SUPERVISORS, COUNTY OF LAKE, STATE OF CALIFORNIA
RESOLUTION NO. _____

RESOLUTION PROVIDING FOR THE EXCHANGE OF PROPERTY TAX REVENUES AS A RESULT OF ANNEXATION OF COUNTY SERVICES AREA 7, BONANZA SPRINGS; COUNTY SERVICE AREA 18, STARVIEW; COUNTY SERVICE AREA 22, MOUNT HANNAH; ADAMS SPRING WATER DISTRICT, ALPINE MEADOWS WATER SYSTEM, PINE GROVE WATER SYSTEM, HILL 9 AND 10 MUTUAL WATER ASSOCIATION, AND BRANDING IRON MUTUAL WATER COMPANY, AND TO FACILITATE THE REORGANIZATION OF COBB AREA COUNTY WATER DISTRICT (LAFCO FILE 2017-0001, COBB AREA REORGANIZATION).

WHEREAS, under provisions of Proposition 13, the “People’s Initiative to Limit Property Taxation” in California, approved by voters in 1978, and subsequent legislation to clarify and implement the Initiative, the allocation and distribution of property taxes within each county became the responsibility of the County Board of Supervisors; and,

WHEREAS, Proposition 13 failed to make any provision for the redistribution of these taxes as a result of changes of organization and reorganization of cities and special districts within the counties; and,

WHEREAS, as a result of Proposition 13, the Revenue and Taxation Code was amended to include Section 99(b) and designates County Boards of Supervisors, in this case, Lake County Board of Supervisors as the agency responsible for deciding the amount, if any, of property tax revenue to be exchanged in the case of a change of organization or reorganization; and

WHEREAS, the Cortese Knox Hertzberg Local Government Act of 2000, and as amended, grants exclusive authority to Local Agency Formation Commissions to process and pass judgment on changes of organization and reorganization; and,

WHEREAS, Section 99 of the Revenue and Taxation Code also requires, before the Executive Officer of the Local Agency Formation Commission issues a Certificate of Filing for a proposed jurisdictional change, that a property tax exchange agreement between affected public agencies must be negotiated; and,

WHEREAS, the affected public agencies in the Cobb Area County Water District reorganization are Lake County on behalf of County Service Areas 7, 18 and 22 and the Adams Springs Water District, an independent California Water District; and,

WHEREAS, Alpine Meadows Water System, Pine Grove Water System, Branding Iron Mutual Water Company and 9 and 10 Mutual Water Association are not public agencies and not subject to property tax exchange negotiations or agreements; and

WHEREAS, as a condition of the Cobb Area County Water District reorganization, all assets, liabilities of agencies involved in the reorganization will succeed to the Cobb Area County Water District, including any property tax entitlement; and,

WHEREAS, Lake County has negotiated property tax exchange agreements with Cobb Area County Water District, Adams Springs Water District and County Service Areas 7, 18 and 22 as set forth below; and,

NOW THEREFORE, BE IT RESOLVED, pursuant to Section 99 and 99(b) of the Revenue and Taxation Code, Lake County ("County") has negotiated with Cobb Area County Water District ("District"), the County of Lake, and Adams Springs Water District and agrees to the following:

1. The Adams Springs Water District has no property tax entitlement, and therefore, there is no property tax base and increment to be transferred to the Cobb Area County Water District; and the negotiated agreement is for "zero" exchange of property tax.
2. County Service Areas 18 and 22 do not receive property tax entitlements from Lake County, and therefore, there is no property tax base and increment to be transferred to Cobb Area County Water District; and the negotiated agreements with County Services Areas 18 and 22 is for "zero" exchange of property tax.
3. The base property tax and increment allocated to County Service Area 7, Bonanza Springs will not be apportioned or paid to the District as a result of the annexation and reorganization; and the negotiated agreement with County Services Area 7 is for "zero" exchange of property tax.
4. Base Property Tax: The base property tax revenue currently allocated to the County General Fund and all local taxing agencies shall not be changed as a result of this reorganization.
5. Future Incremental Property Tax: The future incremental property tax allocated to the County General Fund and all local taxing entities shall not be changed as a result of this reorganization.
6. This determination is made with prejudice to any future jurisdictional changes and does not establish a precedent for making determinations pursuant to Section 99 of the Revenue and Taxation Code.
7. The Clerk of the Lake County Board of Supervisors is directed to file a copy of this resolution to the Lake Local Agency Formation Commission, the County Administrative Office, the Auditor of Lake County and the Cobb Area County Water District.

BE IT FURTHER RESOLVED, the Lake County Administrative Officer, is hereby authorized to sign any documents pertaining to implementation of the resolution and to act as the Board of Supervisors representative in above related property tax exchange matter.

///

///

///

///

///

///

///

///

The foregoing property tax exchange resolution was passed and adopted at a regular, notice and published meeting of the Board of Supervisors of the County of Lake held on the _____ day of May, 2018, by the following vote:

AYES:

NOES:

ABSENT OR NOT VOTING:

Chair, BOARD OF SUPERVISORS

ATTEST: CAROL J. HUCHINGSON
Clerk of the Board of Directors

APPROVED AS TO FORM:
ANITA L. GRANT
County Counsel

By: _____
Deputy

By:  _____