



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Manager's Office



DATE: February 3, 2012
BOARD MEETING DATE: February 28, 2012
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: John L. Maltbie, Acting County Manager

SUBJECT: Property tax revenue exchange between the County of San Mateo and the Town of Atherton for the proposed annexation of properties located at 70 Camino por los Arboles (APN 070-302-300).

RECOMMENDATION:

Adopt a resolution authorizing and agreeing to accept the exchange of property tax revenues between the County of San Mateo and Town of Atherton for the proposed annexation of the property located at 70 Camino por los Arboles.

BACKGROUND:

Revenue and Taxation Code Section 99 requires participating jurisdictions to agree to the amount of property tax transferred as a result of and condition of the Local Agency Formation Commission's (LAFCo) approval of annexation of property from one jurisdiction to another. This proposed annexation would consolidate a very small parcel in the unincorporated area with a larger parcel under the same ownership in the Town of Atherton. A main residence is located on the larger parcel in the Town and an auxiliary structure is on the parcel to be annexed.

DISCUSSION:

In response to a LAFCo application for annexation of a parcel at 70 Camino por los Arboles to the Town of Atherton, the Controller notified the County and the Town of Atherton of the required 60 day property tax negotiation period. A negotiated agreement has been reached with the Town of Atherton on the transfer of tax dollars. The agreement is a compromise whereby the County receives less than the 23% tax share it gets in other tax areas in the Town and the Town receives less than the citywide average of a 10.5% tax share. The County share will be 20% and the Town share, as noted below, will be 6.4%.

The property tax increment transfer for tax rate area (062-007) associated with this annexation is:

From	To	Tax Increment
County of San Mateo	Town of Atherton	6.40443821

This resolution has been reviewed and approved by County Counsel.

This action contributes to the Shared Vision 2025 of a Collaborative Community by formalizing a land transfer between the County and a city or town.

FISCAL IMPACT:

The total amount of taxes available for exchange (before the ERAF shift) is \$791. The Town of Atherton will receive about \$192. Since the property is being consolidated with a parcel that is already developed, the amount both jurisdictions receive is not expected to change significantly.

RESOLUTION NO. _____
BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF
CALIFORNIA

* * * * *

RESOLUTION AGREEING TO AN EXCHANGE OF PROPERTY TAX
REVENUES PURSUANT TO THE PROVISIONS OF CHAPTER 282, SECTION
59, PART 0.5, IMPLEMENTATION OF ARTICLE XIII A OF THE CALIFORNIA
CONSTITUTION, COMMENCING WITH SECTION 95, DIVISION I, OF THE
REVENUE AND TAXATION CODE

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, California Revenue and Taxation Code Section 99 requires participating jurisdictions to agree to the amount of property tax transferred as a result of and condition of the Local Agency Formation Commission's (LAFCo) approval of annexation of property from one jurisdiction to another; and

WHEREAS, pursuant to state law that requires the County of San Mateo and the Town of Atherton agree to a property tax exchange as a result of the proposed annexation of the property located at 70 Camino por los Arboles to the Town of Atherton; and

WHEREAS, the County and the Town have agreed on certain other matters relating to the proposed annexation; and

WHEREAS, the subject determination has been made prior to and as a condition precedent to the Execution Officer of the Local Agency Formation Commission issuing the Certificate of Filing on said proposal; and

WHEREAS, the County of San Mateo in making this determination has reviewed the proposed tax exchange and the amount of said exchange; and

WHEREAS, it has been agreed that property tax revenue produced by an incremental factor of 6.40443821 for the affected property will be transferred between the County of San Mateo (Tax Rate Area 070-302-300) and the Town of Atherton; and

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED AS
FOLLOWS:

1. The property tax incremental factor to be transferred from the County of San Mateo (Tax Rate Area 073-041) to the Town of Atherton is 6.40443821.

* * * * *