



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 County Service Area 1 for the proposed annexation of the proposed lots 1 – 4 on Bunker Hill Drive of the Ticonderoga LLP/Chamberlain Group Project in the San Mateo Highlands. .

RECOMMENDATION:

Adopt a resolution authorizing and agreeing to accept the exchange of property tax revenues between the County of San Mateo and County Service Area 1 for the proposed annexation of lots 1 – 4 on Bunker Hill Drive of the Ticonderoga LLP/Chamberlain Group in the San Mateo Highlands. .

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.

DISCUSSION:

In response to a LAFCo application for annexation of lots 1 – 4 of the Ticonderoga LLP/Chamberlain Group on Bunker Hill Drive in the San Mateo Highlands to Community Service Area 1 (CSA1), the Controller has notified the County of the required 60 day property tax negotiation period. In this case, the County oversees CSA 1, County Fire and the County unincorporated area. County staff recommend a proposed tax exchange that maintains the County share at a level consistent with other tax rates areas that include CSA 1. Since CSA 1 will take over fire response for the annexed properties, staff recommend transferring 100% of the tax share from County Fire to the CSA. The annexation also transfers police responsibility from the County to CSA 1. The annexed properties will also be subject to the additional CSA 1 parcel tax, which is currently \$65 a year.

The property tax increment transfers for tax rate area (073-041) associated with this annexation include:

From	To	Tax Increment
County Fire	County Service Area 1	7.21048051
County of San Mateo	County Service Area 1	6.44153383

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 special district. .

FISCAL IMPACT:

The total amount of taxes available for exchange (before the ERAF shift) is \$940. CSA 1 will receive about \$650. The amount both jurisdictions will receive is expected to increase with the anticipated development of the subject properties.

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

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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 County Services Area 1 agree to a property tax exchange as a result of the proposed annexation of the proposed lots 1 – 4 on Bunker Hill Drive of the Ticonderoga LLP/Chamberlain Group Project in the San Mateo Highlands.

WHEREAS, the County and the District 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 7.21048051 for the affected property will be transferred between the County Fire and County Services Area 1; and

WHEREAS, it has been agreed that property tax revenue produced by an incremental factor of 6.44153883 for the affected property will be transferred between the County of San Mateo and County Services Area 1; and

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED AS

FOLLOWS:

1. The property tax incremental factor to be transferred from County Fire to County Service Area 1 is 7.21048051
2. The property tax incremental factor to be transferred from the County of San Mateo to County Services Area 1 is 6.44153383.

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