



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Manager



Date: April 10, 2015
Board Meeting Date: June 16, 2015
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: John Maltbie, County Manager
Peggy Jensen, Deputy County Manager

Subject: Resolution agreeing to transfer/redistribute property tax revenues between the Los Trancos County Water District and the Proposed Los Trancos County Maintenance District and other affected taxing agencies.

RECOMMENDATION:

Adopt a resolution authorizing a transfer and redistribution of property tax between Los Trancos County Water District and the proposed Los Trancos County Maintenance District and affected taxing agencies within District boundaries, upon dissolution of the District.

BACKGROUND:

Revenue and Taxation Code Section 99 requires that for organizational changes affecting independent special districts, the County shall negotiate and adopt a resolution of property tax to be transferred as a result of and condition of the Local Agency Formation Commission's (LAFCo) approval of the organizational change.

DISCUSSION:

The County of San Mateo has received from the Local Agency Formation Commission (LAFCo) notice of an application for the dissolution of the Los Trancos County Water District. The Los Trancos County Water District executed an agreement of sale of the water system and assets to California Water Service and has applied to LAFCo for dissolution because it no longer operates as a water district. Additionally, the Los Trancos County Water District has identified local priorities including enhanced fire safety, storm water runoff, and land stewardship and requests formation of a County Maintenance District to be the successor to the district's property tax in the territory comprising Los Trancos Wood/Vista Verde and non-contiguous Oak Forest Court in

order to fund these services. The property tax revenues generated from the remaining territories that will not be receiving services from the County Maintenance District will be redistributed to the agencies within the district boundaries.

The taxing agencies that will receive redistributed property taxes include the County of San Mateo, Town of Portola Valley, County Free Library, Portola Valley Elementary, Sequoia High School, San Mateo County Community College District, County Office of Education, Midpeninsula Regional Open Space District, San Francisquito Flood Control Zone 2, Woodside Fire District, San Mateo County Mosquito & Vector Control District, Sequoia Hospital District, County Resource Conservation District, County Harbor District, and the Bay Area Air Quality Management District.

The resolution contributes to the Shared Vision 2025 outcome of a Collaborative Community by effectively communicating, collaborating, and developing strategic approaches to issues affecting the entire County.

FISCAL IMPACT:

Based on the equalized roll, the district receives approximately \$246,000 in property tax revenues (net of its contribution to the Education Revenue Augmentation Fund). The proposed County-governed Los Trancos County Maintenance District will receive approximately \$200,000 for enhanced services. The remaining \$46,000 of property tax revenues will be redistributed amongst the taxing agencies highlighted above. Increases to the taxing agencies property tax revenues in the non-contiguous areas will be based on the assessed valuations and proportional shares of revenues within each affected tax rate areas. Other property tax revenues the district may receive (e.g. supplemental revenues) will be distributed in the same manner. Until the start of the fiscal year following the State Board of Equalizations approval of the jurisdictional changes described in this resolution, redistribution of property tax revenues shall be based upon LAFCo's condition of approval in the LAFCo resolution approving the dissolution.