

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

776



FROM: Executive Office

SUBMITTAL DATE:
May 19, 2016

SUBJECT: Adoption Of Resolution No. 2016-130 Determining the Amount of Property Tax Revenue to be Exchanged Between the County of Riverside and the City of Riverside – LAFCO 2015-08-1 Annexation 118 (Central/Sycamore); District 1; [\$1,533 annually] 100% Property Tax Revenue

RECOMMENDED MOTION: That the Board of Supervisors:

1. Adopt Resolution No. 2016-130, Determining the Amount of Property Tax Revenue to be Exchanged Between the County of Riverside and the City of Riverside LAFCO 2015-08-01 Annexation 118; and
2. Direct the Clerk of the Board to provide the Resolution along with the Minute Order to the Local Area Formation Commission (LAFCO).

BACKGROUND:

Summary

The Local Area Formation Commission (LAFCO) is scheduled to consider Annexation No. 2015-08-01 on June 23, 2016. Annexation No. 2014-08-04 (Annexation 118) is a property owner initiated annexation from the unincorporated county area into the City of Riverside.

Continued on next page

Tina Grande
Tina Grande
Principal Management Analyst

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	0	N/A	1,533*	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	0	N/A	165*	

SOURCE OF FUNDS: 100% Property Tax Revenue
*Amount is estimated and will change with property value

Budget Adjustment: N/A
For Fiscal Year: N/A

C.E.O. RECOMMENDATION:

APPROVE
Paul McDonnell
BY: Paul McDonnell

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
Nays: None
Absent: None
Date: May 24, 2016
xc: E.O., LAFCO, Auditor

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
Deputy

Prev. Agn. Ref.: | District: 1 | Agenda Number:

3-31

FORM APPROVED COUNTY COUNSEL 5/19/16 DATE
BY: GREGORY P. PRIAMOS
Departmental Concurrence

- Positions Added
- Change Order
- A-30
- 4/5 Vote

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Adoption Of Resolution No. 2016-130 Determining the Amount of Property Tax Revenue to be Exchanged Between the County of Riverside and the City of Riverside – LAFCO 2015-08-1 Annexation 118 (Central/Sycamore); District 1; [\$1,533 annually] 100% General Fund

DATE: May 19, 2016

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BACKGROUND:

Summary (continued)

The subject area is defined as approximately 16.6 acres located at the northwest corner of Central Avenue and Sycamore Canyon Boulevard, adjacent to the city boundary of the City of Riverside, comprised of private property and adjacent public right of way.

Revenue and Taxation Code §99(d) allows for the county and any local agency or agencies to enter into a Master Property Tax Agreement, which specifies the amount of property tax to be exchanged when an annexation occurs. Without a Master Property Tax Agreement, the county and the local agency meet and negotiate on each annexation proposal. The County of Riverside does not have a current master property tax agreement with the City of Riverside. Therefore, the two parties met and reached an agreement on the terms for this proposed annexation.

The terms agreed to provide for 100% of the structural fire tax and 100% of the library tax to be given to the city along with 25% of the county's portion of general property tax revenue. The county will retain 75% of the general property tax. This agreement will apply to Annexation No. 2015-08-1. Any future annexations will require negotiations between the two parties. The estimated amount is \$1,553, which was calculated from information received from the Auditor-Controller property tax division and based on the current value of the properties.

As the parties have met and negotiated the terms of the agreement, staff recommends that the Board of Supervisors approve Resolution No. 2016-130. The city will have to adopt a resolution with the same terms. The city's next meeting is on June 7, 2016.

The exchange of property tax revenue will become effective for tax purposes beginning July 1 of the subsequent calendar year following the recordation date of the annexation.

Impact on Citizens and Businesses

The Board's action today will have no immediate impact on citizens or businesses.

SUPPLEMENTAL:

Additional Fiscal Information

The estimated amount of property tax to be exchanged annually is \$1,553, based on the current value of the properties. The general fund portion of property tax is approximately 11%, the Structural Fire Tax is approximately 72% and the remaining 17% is the library portion.

RESOLUTION NO. 2016-130

DETERMINING THE AMOUNT OF PROPERTY TAX REVENUE
TO BE EXCHANGED BETWEEN THE COUNTY OF RIVERSIDE
AND CITY OF RIVERSIDE
LAFCO 2015-08-1 ANNEXATION 118 (CENTRAL/SYCAMORE)

BE IT RESOLVED BY THE Board of Supervisors of the County of Riverside, State of California,
in regular session assembled on May 24, 2016 that:

1. The County of Riverside and the City of Riverside are the agencies whose area of responsibility for service would be affected by LAFCO 2015-08-01 – Reorganization to include Annexation 118 (Central/Sycamore) to the City of Riverside and Concurrent Detachments from County Service Area 93 and the Riverside County Waste Resources Management District.

2. Representatives of each of the affected agencies have met and negotiated the following exchange of property tax revenue to become effective beginning July 1 of the subsequent calendar year following the date of annexation of approximately 17 acres generally located east of the City of Riverside, north of Central Avenue and southwest of State Route 60/Interstate 215.

a. The City of Riverside shall assume the service responsibility for the suppression and prevention of structural fires in area to be annexed, for which purpose it maintains a fire department, and for such service assumption shall receive 100% of that portion of the property tax revenue generated within the territory to be annexed that is presently collected by the County of Riverside as structural fire protection tax.

b. The City of Riverside shall assume the service responsibility for the provision of library services for which purpose it maintains a library system, and for such service assumption shall receive 100% of that portion of the property tax revenue generated within the territory to be annexed that is presently collected by the County of Riverside for provision of library services.

c. The City of Riverside shall assume the service responsibility for all other general municipal services to the area to be annexed as are required by law or presently provided

FORM APPROVED COUNTY COUNSEL
BY: *[Signature]* DATE: 5/19/16
DALE GARDNER

1 throughout the city, and for such service assumption shall receive 25% of that portion of the
2 property tax revenue generated within the territory to be annexed under the ad valorem tax rate
3 established by Article XIII A of the Constitution of the State of California, that represents the
4 County of Riverside's share of property tax revenue.

5 d. The County Auditor shall convert the above-established percentage figures into
6 actual dollar figures and thereafter allocate such property tax revenue in accordance with the
7 provisions of Section 95, et seq., of the Revenue and Taxation Code.

8 3. The Board of Supervisors of the County of Riverside hereby agrees to the above-recited
9 exchange of property tax revenue.

10 4. The Clerk of this Board shall transmit a certified copy of this resolution to each affected
11 agency, to the Executive Officer of the Local Agency Formation Commission and to the Auditor of the
12 County of Riverside pursuant to Section 99 of the Revenue and Taxation Code.

13 ROLL CALL:

14 Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
15 Nays: None
16 Absent: None

17 The foregoing is certified to be a true copy of a resolution duly
18 adopted by said Board of Supervisors on the date therein set forth.

19 KECIA HARPER-IHEM, Clerk of said Board

20 By  _____

21 Deputy