

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Administrative Office	(2) MEETING DATE 11/5/2013	(3) CONTACT/PHONE Emily Jackson 781-5011	
(4) SUBJECT Submittal of a notice to commence negotiations for the exchange of property tax revenue and annual tax increment for Annexation No. 89 to the City of Paso Robles (Ernst). District 1.			
(5) RECOMMENDED ACTION It is recommended that the Board approve commencement of negotiations for the exchange of property tax revenue for Annexation No. 89 to the City of Paso Robles (Ernst).			
(6) FUNDING SOURCE(S) n/a	(7) CURRENT YEAR FINANCIAL IMPACT n/a	(8) ANNUAL FINANCIAL IMPACT n/a	(9) BUDGETED? n/a
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) n/a		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: n/a <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW Guy Savage			
(18) SUPERVISOR DISTRICT(S) District 1 -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Emily Jackson, Administrative Analyst

DATE: 11/5/2013

SUBJECT: Submittal of a notice to commence negotiations for the exchange of property tax revenue and annual tax increment for Annexation No. 89 to the City of Paso Robles (Ernst). District 1.

RECOMMENDATION

It is recommended that the Board approve commencement of negotiations for the exchange of property tax revenue for Annexation No. 89 to the City of Paso Robles (Ernst).

DISCUSSION

This request relates to the annexation of 1.49 acres of property zoned residential rural to the City of Paso Robles. The property is located in the City of Paso Robles at 490 Pacific Avenue. The city limit of Paso Robles runs directly through the property. The purpose of this annexation is to bring the full property into the city limits. The current property owner concurs with the annexation.

Jurisdictional changes such as this can change service area responsibilities and/or impact operating expenses and revenues. The law requires affected jurisdictions (in this case, the County and the City of Paso Robles) to negotiate an exchange of property tax revenue prior to the Local Agency Formation Commission's (LAFCO) approval of the proposed change. This notice contains information concerning the amount of revenue generated in the annexation area. The County Administrative Office and the City of Paso Robles will negotiate on behalf of their respective agencies and present a resolution for adoption within the 60-day time frame.

OTHER AGENCY INVOLVEMENT/IMPACT

The Local Agency Formation Commission (LAFCO) has the authority to oversee the annexation of property. The property is proposed to be annexed into City of Paso Robles, therefore, as one of the affected agencies; the City of Paso Robles will participate in the tax exchange negotiations. The Auditor's Office provided the financial analysis.

FINANCIAL CONSIDERATIONS

If negotiations are successful, the County will transfer an agreed upon percentage of property tax increment, after the Educational Revenue Augmentation Fund (ERAF) calculation to the City of Paso Robles. There will not be a transfer of base property taxes. The attached notice contains information concerning the amount of revenue generated in the annexation area.

RESULTS

To agree to a fair and equitable property tax agreement as a result of annexations of property.

ATTACHMENTS

1. Notice to Commence

2. Vicinity Map

- c- Jim App, City of Paso Robles
- Ed Gallagher, City of Paso Robles
- Barbara Godwin, Auditor-Controller's Office
- David Church, LAFCO