



COUNTY OF SAN MATEO
Inter-Departmental Correspondence

COUNTY MANAGER'S OFFICE

DATE: November 19, 2008
BOARD MEETING DATE: December 9, 2008
SPECIAL NOTICE/HEARING: No
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: David Boesch, Assistant County Manager

A handwritten signature in black ink, appearing to be "DB", written over the name "David Boesch".

SUBJECT: Resolution agreeing to an exchange of property tax revenues between the County of San Mateo and the City of San Carlos for the proposed annexation of the properties located on Winding Way in unincorporated Devonshire (Lands of Dobel, Cameron and Grove)

RECOMMENDATION:

Adopt a resolution authorizing a property tax exchange between San Mateo County and the City of San Carlos for the proposed annexation of the Lands of Dobel, Cameron and Grove.

VISION ALIGNMENT:

Responsible, effective and collaborative government

Goal(s): 22 County and local governments effectively communicate, collaborate and develop strategic approaches to issues affecting the entire County.

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:

The County of San Mateo has received from the Local Agency Formation Commission (LAFCo) a proposed annexation of the Lands of Dobel, Cameron and Grove (3.41 acres located in unincorporated Devonshire on Winding Way) to the City of San Carlos.

An agreement has been reached with the City of San Carlos and a resolution is attached for adoption. The agreement is in accordance with the Board's policy of granting a city an amount of property tax that approximates the current average share of property tax of the city of the proposed annexation. The annexation includes the transfer of fire responsibility to the City of San Carlos from the County.

Tax Rate Area 076001, 076008

Account Description	Current Rate	Negotiated Shift	Proposed Rate
General County Tax	0.295182218	(0.051610085)	0.243572133
County Fire Protection District	0.080002047	(0.080002047)	0.0
City of San Carlos	NA	0.1316121332	0.131612132
TOTALS	0.375184265	NA	0.375184265

FISCAL IMPACT:

The total amount of taxes available for exchange before the ERAF shift is \$124.94. The City of San Carlos will receive \$43.83 and the County will retain \$81.11. The amount both jurisdictions would receive is expected to increase with the anticipated development of the subject properties.