



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Manager's Office



DATE: November 16, 2011
BOARD MEETING DATE: November 29, 2011
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: Peggy Jensen, Deputy County Manager

SUBJECT: Property tax exchange for proposed annexation of Assessor's parcel numbers 006-392-050 through 070, 006-393-080, 170, 190 and 200 to the City of Daly City and detachment from the Broadmoor Police, Colma Fire and Colma Lighting Districts and the Free Library.

RECOMMENDATION:

Adopt a resolution authorizing and agreeing to exchange of property tax between the County of San Mateo and the City of Daly City for the proposed annexation of Assessor's parcels numbers 006-392-050 through 070, 006-393-080, 170, 190 and 200 and detaching those parcels from the Broadmoor Police, Colma Fire and Colma Lighting Districts and the Free Library.

BACKGROUND:

The Revenue and Taxation Code 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. The Revenue and Tax Code provides that in the event a jurisdictional change affects the service area of one or more special districts, the Board of Supervisors shall, on behalf of the districts, negotiate any exchange of property tax revenues. This provision requires that prior to entering into a negotiation, the Board shall consult with the affected districts providing notification to the districts and the LAFCo Executive Officer, providing adequate opportunity to comment. Notification was provided to the Districts on October 14, 2011 and no comments have been received.

DISCUSSION:

LAFCo has sent the County notice of receipt of the proposed annexation of the Assessor's parcels noted above to the City of Daly City and detachment from the Broadmoor Police Protection District, Colma Fire Protection District and County-governed Colma Highway Lighting District. Terms of the proposed transfer of property tax increment (annual growth in property tax revenue) have been negotiated by the County Manager and the Daly City Manager. This annexation includes the transfer of police responsibility to Daly City from the Broadmoor Police Protection District, fire

protection from the Colma Fire Protection District and street lighting responsibility from the County-governed Colma Highway Lighting District to Daly City and transfer of the Free Library property tax increment to Daly City.

The property tax increment transfers for tax rate area (059-005) associated with this annexation include:

From	To	Incremental factor
Free Library	Daly City	2.381486
Colma Lighting	Daly City	1.2293941
Colma Fire District	Daly City	4.8899408
Broadmoor Police Dist.	Daly City	19.982909
Broadmoor Police Dist.	County of San Mateo	6.16785944

This resolution has been reviewed and approved by County Counsel.

This action contributes to the Shared Vision 2025 of a Collaborative Community by formalizing annexation of lands requiring an urban level of municipal services to a city.

FISCAL IMPACT:

The total amount of property tax revenue attributable to incremental factors (before the ERAF shift) is \$8,195. Daly City will receive about \$4,575 and the County will receive about \$3,620. 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, pursuant to state law that requires the County of San Mateo and the City of Daly City to agree to a property tax exchange as a result of the proposed annexation of the Assessor's parcels numbered 006-392-050 through 070, 006-393-080, -170, -190 and 200 to the City of Daly City; and

WHEREAS, the County and the City 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 preceding the Executive 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 by the Daly City Manager and the County Manager that property tax revenue produced by an incremental factor of 19.982909 for the affected properties will be transferred between the Broadmoor Police District (Tax Rate Area 059-005) and the City of Daly City; and

WHEREAS, it has been agreed by the Daly City Manager and the County Manager that property tax revenue produced by an incremental factor of 6.16785944 for the affected properties will be transferred between the Broadmoor Police District (Tax Rate Area 059-005) and the County of San Mateo; and

WHEREAS, it has been agreed by the Daly City Manager and the County Manager that property tax revenue produced by an incremental factor of 4.38899408 for the affected properties will be transferred between the Colma Fire District (Tax Rate Area 059-005) and the City of Daly City; and

WHEREAS, it has been agreed by the Daly City Manager and the County Manager that property tax revenue produced by an incremental factor of 1.2293941 for the affected properties will be transferred between the Colma Lighting District (Tax Rate Area 059-005) and the City of Daly City;

WHEREAS, it has been agreed by the Daly City Manager and the County Manager that property tax revenue produced by an incremental factor of 2.381486 for the affected properties will be transferred between the Free Library (Tax Rate Area 059-005) and the City of Daly City;

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED AS FOLLOWS:

1. The property tax incremental factor to be transferred from the Broadmoor Police District (Tax Rate Area 059-005 to the City of Daly City is 19.982909.
2. The property tax incremental factor to be transferred from the Broadmoor Police District (Tax Rate Area 059-005 to the County of San Mateo 6.16785944.
3. The property tax incremental factor to be transferred from the Colma Fire District (Tax Rate Area 059-005 to the City of Daly City is 4.8899408.
4. The property tax incremental factor to be transferred from the Free Library (Tax Rate Area 059-005 to the City of Daly City is 2.381486.
5. The property tax incremental factor to be transferred from the Colma Lighting District (Tax Rate Area 059-005 to the City of Daly City is 1.2293941.
6. The transfer of said property tax incremental factors is approved conditioned upon completion of the proposed annexation of the Assessor's parcels numbered 006-392-050 through 070, 006-393-080,-170, -190 and 200 to the City of Daly City.

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