



Legislation Details (With Text)

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Title: Chief Administrative Office recommending the Board adopt Resolution 028-2014 agreeing to the exchange of property tax increment for the annexation of one parcel (APN 126-100-24) into the El Dorado Irrigation District and the El Dorado Hills County Water District (EDH Fire) to provide water and fire prevention services to the proposed subdivision. Local Agency Formation Commission Project No. 2014-01.

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - Board Resolution 4-1-14, 2. B - Proposed Tax Increment Distribution 4-1-14, 3. C - CAO Letters to affected agencies 4-1-14, 4. D - Auditor's Estimate of Property Tax Revenue & Distribution 4-1-14, 5. E - LAFCO Memo 4-1-14, 6. Executed Resolution 028-2014 item 4.pdf

Date	Ver.	Action By	Action	Result
4/1/2014	1	Board of Supervisors	Approved	Pass

Chief Administrative Office recommending the Board adopt Resolution **028-2014** agreeing to the exchange of property tax increment for the annexation of one parcel (APN 126-100-24) into the El Dorado Irrigation District and the El Dorado Hills County Water District (EDH Fire) to provide water and fire prevention services to the proposed subdivision. Local Agency Formation Commission Project No. 2014-01.

Fiscal Impact/Change to Net County Cost

Proposal reduces tax revenue to County general fund from \$9159.95 to \$5473.79 per year. Undetermined property tax increase pending development of 19 residential lots ranging in size of 5 acres to 9.9 acres and one 2.2 acre parcel of open space.

Background

The Diamonte Estates Reorganization project will annex approximately 113.11 acres (APN 126-100-24) into the El Dorado Irrigation District and El Dorado Hills Fire. The purpose of the annexation is to provide water and fire prevention services to the proposed subdivision. The subdivision includes 19 residential lots ranging in size of 5 acres to 9.9 acres and one 2.2 open space lot.

On March 18, 2014, the Chief Administrative Office sent tax increment exchange proposals to affected agencies. The Board of Supervisors has historically reduced the County and other taxing entities' share of the tax increment in order to provide EID and El Dorado Hills Fire with a 2.6667% and 17% share, respectively. The Chief Administrative Office proposal continues this trend. The proposal reduces the County share of tax revenues from the the Diamonte Estates property by just over 16%, from 40.0190% to 23.9145%.

Summary of Exhibits:

Exhibit A: Board Resolution for consideration formally agreeing to the exchange of tax increment.

Exhibit B: Resolution attachment detailing the proposed exchange of tax increment.

Exhibit C: Letters from the Chief Administrative Office to affected taxing entities proposing the exchange of tax increment.

Exhibit D: Auditor-Controller's Estimate of Property Tax Revenue & Distribution provided to affected agencies.

Exhibit E: LAFCO memo to affected agencies inviting review and comment on the annexation project.

Reason for Recommendation

The Revenue and Taxation Code places a 60-day limit on negotiations for the exchange of tax increment. The negotiation "clock" begins when the affected agencies receive the Auditor-Controller's Estimate of Property Tax Revenue and Distribution for the affected parcel. The negotiation period for this annexation expires on May 12, 2014.

Clerk of the Board Follow Up Actions

Board Clerk to send adopted Resolution to affected agencies and LAFCO so the Commission can proceed with processing the application for annexation.

Contact

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