



## Legislation Details (With Text)

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**Title:** Chief Administrative Office recommending the Board adopt Resolution 117-2013 agreeing to the exchange of property tax increment for the annexation of one parcel (APN 116-010-04) to the Cameron Park Community Services District (CSD), Local Agency Formation Commission Project No. 2013-03, and select among the following options for the exchange:  
1) Exhibit B reflecting the staff proposal; or  
2) Exhibit C reflecting the Cameron Park CSD's alternative proposal; or  
3) Determine the exchange of tax increment independent of the staff and CSD proposals.

### Sponsors:

### Indexes:

### Code sections:

**Attachments:** 1. A - Resolution.pdf, 2. B - Exhibit B Proposed Exchange of Tax Increment.pdf, 3. C - Exhibit C Alternative Proposal from Cameron Park 8-13-13.pdf, 4. D - Negotiation Letters 8-13-13.pdf, 5. E - Auditor's Estimate of Property Tax Revenue & Distribution.pdf, 6. F - LAFCO Memo to Affected Agencies 8-13-13.pdf, 7. G - LAFCO Memo to Auditor's Office 8-13-13.pdf, 8. H - Letter from CPCSD to LAFCO.pdf, 9. I - Letter from CPCSD requesting 25% 8-13-13.pdf, 10. Executed Resolution 117-2013

Date	Ver.	Action By	Action	Result
8/13/2013	1	Board of Supervisors	Approved	Pass

Chief Administrative Office recommending the Board adopt Resolution **117-2013** agreeing to the exchange of property tax increment for the annexation of one parcel (APN 116-010-04) to the Cameron Park Community Services District (CSD), Local Agency Formation Commission Project No. 2013-03, and select among the following options for the exchange:

- 1) Exhibit B reflecting the staff proposal; or
- 2) Exhibit C reflecting the Cameron Park CSD's alternative proposal; or
- 3) Determine the exchange of tax increment independent of the staff and CSD proposals.

### FISCAL IMPACT

Minor reduction to County in property tax revenue. Undetermined property tax growth if parcel develops.

### Background

The Cameron Hills Annexation will annex one 20 acre parcel (APN 116-010-04) to the Cameron Park Community Services District. The purpose of the annexation is to obtain recreational and fire suppression services to support the development of a proposed 41-lot residential subdivision. The property is located on the north side of Kimberly Road between Cambridge Road and Woodley Lane, in the Cameron Park area.

The Chief Administrative Office sent tax increment exchange proposals to affected agencies on July 17. The Board of Supervisors has historically reduced the County's share of tax increment in order to provide the Cameron Park CSD with a 6% share of increment for parks, and a 15% share for fire.

The Chief Administrative Office proposal as reflected in Exhibit B continues this trend.

The Cameron Park CSD has alternatively proposed a 10% share of increment for parks with the share for fire remaining at 15% (See Attachment I). This results in a 25% cumulative share of the tax increment for the affected parcel. This proposal is reflected in Exhibit C. Should the Board select this alternative, the Resolution will be amended to reference Exhibit C.

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 & Distribution for the affected parcel. The negotiation period for this annexation expires September 9.

#### Summary of Attachments:

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

Attachment B: The attachment to the Resolution which details the Chief Administrative Office proposed exchange of tax increment. (Exhibit B)

Attachment C: The alternative attachment to the Resolution which details the Cameron Park CSD's proposed exchange of tax increment. (Exhibit C)

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

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

Attachment F: LAFCO's memo to affected agencies inviting review and comment on the annexation project.

Attachment G: LAFCO's memo to the Auditor's Office

Attachment H - Correspondence from Cameron Park CSD to LAFCO

Attachment I - Correspondence from Cameron Park CSD to Chief Administrative Office requesting 25% of increment.

#### **Reason for Recommendation**

In accordance with Revenue and Taxation Code Sections 99 and 99.01, negotiations between the Chief Administrative Office and the Cameron Park CSD have been conducted regarding the redistribution of property tax increment applicable to this parcel. Details of the proposed exchange are included in Exhibits B or C. The Cameron Park CSD is expected to adopt a resolution agreeing to the exchange.

#### **Action(s) to be taken following Board approval**

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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