



Legislation Text

File #: 13-0719, **Version:** 1

Chief Administrative Office recommending the Board adopt Resolution **105-2013** agreeing to the exchange of property tax increment for the annexation of one parcel (APN 126-100-23) to the El Dorado Irrigation District and the El Dorado Hills County Water District, Local Agency Formation Commission Project No. 2013-01.

Fiscal Impact/Change to Net County Cost

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

Background

The Malcolm Dixon Road Estates Reorganization will annex one 40.07 acre parcel (APN 126-100-23) to the El Dorado Irrigation District (EID) and the El Dorado Hills County Water District (EDH Fire). The purpose of the annexation is to obtain water and fire suppression services to support the development of a proposed 8-lot residential subdivision. The property is located on the north side of Malcolm Dixon Road, one half mile east of the intersection with Salmon Falls road in the El Dorado Hills area.

The Chief Administrative Office sent tax increment exchange proposals to affected agencies on June 10. The Board of Supervisors has historically reduced the County's share of tax increment in order to provide EID with a 2.6667% share, and EDH Fire with a 17.0000% share. The Chief Administrative Office proposal continues this trend.

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 August 3.

Summary of Exhibits:

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

Exhibit B: The attachment to the Resolution which details 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's memo to affected agencies inviting review and comment on the annexation project.

Reason for Recommendation

In accordance with Revenue and Taxation Code Sections 99 and 99.01, negotiations between the Chief Administrative Office, EID and EDH Fire have been conducted regarding the redistribution of property tax increment applicable to this parcel. Details of the proposed exchange are included in Exhibit B. EID and EDH Fire will adopt resolutions 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

Mike Applegarth (5123)

Concurrences