



## Legislation Text

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**File #:** 21-1724, **Version:** 1

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Chief Administrative Office recommending the Board adopt and authorize the Chair to sign Resolution **137-2021** accepting the exchange of property tax increments for the annexation of one parcel (APN 092-060-055) into the El Dorado Irrigation District service area, Local Agency Formation Commission Project 2021-03.

**FUNDING:** General Fund.

### **DISCUSSION / BACKGROUND**

The Pacileo Annexation to the El Dorado Irrigation District (EID), LAFCO Project No. 2021-03, will annex one vacant 0.83-acre parcel (APN 092-060-055) into the El Dorado Irrigation District service area. The annexation triggers the requirement under the law to redistribute property tax increments applicable to the property being annexed.

In accordance with Revenue and Taxation Code Sections 99 and 99.01, negotiations have been completed regarding the redistribution of the property tax increments applicable to this parcel. EID would accept a 2.6667% share of the property tax increment. This distribution is consistent with past practice for the property tax increment for annexations into EID. Diamond Springs / El Dorado Fire's share of the property tax increment will decrease from 23.1016% to 22.0695%. El Dorado County Water Agency's share of the property tax increment will decrease from 0.9811% to 0.9373%. These increments each total a 4% proportional reduction to each agency in order to allow for an allocation to EID. The increment for the County General Fund, the County Capital Outlay Fund, the Road District, the County Water Agency, CSA 7 (EMS/Ambulance) would also decrease by 4%. Other details of the proposed exchange of tax increment are included in Attachment 1, Exhibit A.

Pursuant to the application filed with LAFCO, the purpose of the annexation is to build a single-family home on the parcel, consistent with current zoning.

### **ALTERNATIVES**

The Board could choose an alternate distribution of property tax increments.

### **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

El Dorado Local Agency Formation Commission

### **CAO RECOMMENDATION**

Approve as recommended.

### **FINANCIAL IMPACT**

The County would relinquish 4% of the portion of the property tax increment currently allocated, a decrease of \$15 annually, based on the current assessed value of the vacant property.

**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.

**STRATEGIC PLAN COMPONENT**

Good Governance

**CONTACT**

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