



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: June 19, 2012

TO: Mayor and Councilmembers

FROM: Administration Division, Finance Department

SUBJECT: Property Tax Exchange Agreement For 455 And 457 North Hope Avenue Annexation

RECOMMENDATION:

That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara in the Matter of Providing for a Negotiated Exchange of Property Tax Revenues Pertaining to the Hope Avenue Reorganization, an Annexation of Properties Located at 455 North Hope Avenue (Assessor's Parcel Nos. 057-191-011 and 057-191-014) and 457 North Hope Avenue (Assessor's Parcel No. 057-170-012) to the City of Santa Barbara, and Detachment from the Santa Barbara County Fire Protection District, Goleta Water District and County Service Area 32.

DISCUSSION:

On December 6, 2011, the City Council adopted a resolution requesting initiation of proceedings for a reorganization of boundaries and annexation to the City of properties located at 455 and 457 North Hope Avenue. The properties include three parcels: a vacant parcel, a parcel that is developed as a driveway, and a parcel developed with a single family residence that is served by the driveway parcel.

Prior to approval of the annexation by the Local Agency Formation Organization, the City and County must negotiate a tax exchange agreement and adopt resolutions for the allocation of property taxes assessed on the properties. The resolution that accompanies this report is needed to complete the annexations of the three parcels and reflects the agreement for the exchange of property taxes between the City and County.

The resolution approves a property tax exchange agreement for the affected parcels, which have a current assessed value of \$1,989,293, with assessed property taxes of \$19,893 (1%). The resolution provides that the City will receive a total of 13.19% of the total assessment, equating to \$2,624 per year, the portion previously allocated to the County Fire Protection District. The allocation rates were based on the allocation of property taxes of an adjacent parcel.

PREPARED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office