

RESOLUTION NO. _____

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.

WHEREAS, Section 99 of the Revenue and Taxation Code of the State of California provides that no change of jurisdictional boundaries shall become effective until each city and county whose service areas or service responsibilities would be altered by such change agree by resolution to a negotiated exchange of property tax revenue; and

WHEREAS, the City of Santa Barbara (CITY) and the County of Santa Barbara (COUNTY) have negotiated and reached a mutually acceptable agreement for an exchange of property tax revenue for the proposed reorganization which is commonly referred to as the Hope Avenue Reorganization.

NOW, THEREFORE, BE IT RESOLVED THAT THE COUNCIL OF THE CITY OF SANTA BARBARA approves and adopts the following formula for the exchange of property tax revenue from the subject property:

1. Definitions:

a. "Reorganization" shall mean the recordation by LAFCO of a certificate of completion and the filing by LAFCO with the State Board of Equalization and the Santa Barbara County Assessor of a statement of boundary change pursuant to Government Code Section 54900 et seq., annexing the area to the City of Santa Barbara.

b. "Property tax revenue" shall include the base property tax revenue.

2. The Auditor-Controller of Santa Barbara County shall allocate and pay directly to the CITY and the COUNTY General Fund those portions of the property tax revenue generated from the parcels making up the Hope Avenue Reorganization area as expressed in LAFCO Proposal 12-3, which otherwise would be allocated to the Santa Barbara County Fire Protection District. The CITY's future share of the allocation shall be that equal to 13.190750565 percent of taxes generated by these parcels with any shortfall or overage being allocated from/to the COUNTY General Fund.

3. Payment to CITY and COUNTY General Fund will commence the first full fiscal year for which the change in property tax allocation specified by this resolution and the corresponding adjustments to affected tax rate allocation system becomes effective as specified by the State Board of Equalization in accordance with Government Code Section 54902. At the time of adoption of this resolution, that is anticipated to be Fiscal Year 2013-14.

4. CITY and COUNTY agree that those portions of the property tax revenue generated from the parcels making up the Hope Avenue Annexation area as expressed in LAFCO Proposal 12-3, which otherwise would be allocated to County Service Area (CSA) No. 32, shall cease to be collected the first full fiscal year for which the change in property tax allocation specified by this resolution and the corresponding adjustments to affected tax rate allocation system becomes effective as specified by the State Board of Equalization in accordance with Government Code Section 54902. At the time of adoption of this resolution, that is anticipated to be Fiscal Year 2013-14.

5. CITY and COUNTY agree that those portions of the property tax revenue generated from the parcels making up the Hope Avenue Annexation area as expressed in LAFCO Proposal 12-3, which otherwise would be allocated to the Goleta Water District, shall cease to be collected the first full fiscal year for which the change in property tax allocation specified by this resolution and the corresponding adjustments to affected tax rate allocation system becomes effective as specified by the State Board of Equalization in accordance with Government Code Section 54902. At the time of adoption of this resolution, that is anticipated to be Fiscal Year 2013-14.

6. Should LAFCO include any additional parcels to this proposal prior its recordation, the same allocated percentage as set forth in paragraph 2 above shall apply.