**RESOLUTION NO. 2015-70**

**RESOLUTION OF THE BOARD OF SUPERVISORS OF NAPA COUNTY, STATE OF CALIFORNIA, REGARDING ADJUSTMENTS IN THE ALLOCATION OF PROPERTY TAXES AS A RESULT OF THE ANNEXATION OF CERTAIN PROPERTY (COMMONLY KNOWN AS CANYON ESTATES) TO THE CITY OF AMERICAN CANYON AND THE AMERICAN CANYON FIRE PROTECTION DISTRICT**

 **WHEREAS**, on July 3, 2008, the City of American Canyon (“City”) and Napa County (“County”) entered into County Agreement No. 7070/City Agreement No. 2008-93 (hereafter “July 2008 Agreement”) relating to City’s urban growth boundary and other matters of mutual interest in the South County area; and

**WHEREAS**, the July 2008 Agreement contemplates inclusion of the property commonly known as Canyon Estates and as more particularly described in the Property Tax Revenue Sharing Agreement attached hereto as Exhibit A, in the City’s Sphere of Influence and within the City’s Urban Limit Line; and

**WHEREAS**, section 99 of the Revenue and Taxation Code provides that negotiations be entered into between the County, the City and the American Canyon Fire Protection District (“District”) regarding adjustments in the allocation of property taxes whenever a “jurisdictional change” involving annexations are proposed; and

**WHEREAS**, Revenue and Taxation Code section 99(b)(6) provides that the Executive Officer of the Local Agency Formation Commission (“LAFCO”) shall not issue a Certificate of Filing pursuant to section 56828 of the Government Code until the City, District and County included in the property tax revenue exchange negotiation present resolutions adopted by each entity whereby each entity agrees to accept the exchange of property tax revenues; and

**WHEREAS**, the City, District and County, through their respective staff representatives, negotiated a proposed agreement regarding, among other things, adjustments in the allocation of property taxes as a result of the contemplated annexation of the Canyon Estates property to the City and District; and

 **WHEREAS**, approving the proposed Agreement is in the best interest of the County.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Supervisors of Napa County, State of California, in accordance with Revenue and Taxation Code section 99, that the terms of the Property Tax Revenue Sharing Agreement attached hereto as Exhibit A be adopted, to be effective upon the recordation of the Executive Officer’s Certificate of Completion for the subject annexations, and the Board hereby authorizes its Chair to sign the attached Property Tax Revenue Sharing Agreement.

 **BE IT FURTHER RESOLVED** that the County hereby agrees to accept the exchange of property taxes as provided in the Property Tax Revenue Sharing Agreement as follows:

The City receives forty-seven and a half percent (47.5%) of the County share of the one percent (1%) property tax rate increment applicable to the annexed lands; and five percent (5%) of the County share shall be reallocated to the District. The remaining forty-seven and a half percent (47.5%) of the preexisting County share shall be retained by County. The City may request a proper accounting of any property tax distribution provided herein and the County shall make such a report in a timely manner.

**BE IT FURTHER RESOLVED** that the exchange of property taxes shall be conditioned upon adoption of resolutions and adoption of the Property Tax Revenue Sharing Agreement by the City and District agreeing to the exchange of property taxes as provided herein.

 **BE IT FURTHER RESOLVED** that the Clerk of the Board is hereby directed to immediately forward a copy of this Resolution to the Auditor-Controller for Napa County, the Clerk of the City Council of the City, the Board of Directors of the District, and the Executive Officer of LAFCO.

 **BE IT FURTHER RESOLVED** that in the event the Property Tax Revenue Sharing Agreement cannot legally be implemented as a consequence of state legislation or appellate court decision, this Board of Supervisors reserves the right to negotiate a new property tax exchange agreement with the City and District.

 **THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED** by the Board of Supervisors of Napa County, State of California, at a regular meeting of the Board held on the 2nd day of June, 2015, by the following vote:

 AYES: SUPERVISORS WAGENKNECHT, CALDWELL, PEDROZA

 and DILLON

 NOES: SUPERVISORS NONE

 ABSENT: SUPERVISORS LUCE

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 DIANE DILLON, Chair of the Board of Supervisors

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| APPROVED AS TO FORMOffice of County CounselBy: *Silva Darbinian (e-signature)* Date:May 26, 2015 | ATTEST: GLADYS I. COILClerk of the Board of SupervisorsBy:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | APPROVED BY THE NAPA COUNTY BOARD OF SUPERVISORSDate: June 2, 2015Processed By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Deputy Clerk of the Board |