

*Hammond*



County of Los Angeles  
**CHIEF ADMINISTRATIVE OFFICE**

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DAVID E. JANSSEN  
Chief Administrative Officer

October 5, 2004

Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

Dear Supervisors:

**JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF  
LOS ANGELES AND THE CITY COUNCIL OF THE CITY OF PALMDALE  
APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY  
TAX REVENUE AS A RESULT OF THE PROPOSED ANNEXATION OF  
UNINCORPORATED TERRITORY TO THE CITY OF PALMDALE AND  
DETACHMENT FROM COUNTY ROAD DISTRICT NO. 5  
(ANNEXATION 2004-02)  
(SUPERVISORIAL DISTRICT 5) (3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

Approve the attached Joint Resolution between your Board and the City Council of the City of Palmdale, based on the negotiated exchange of property tax revenue, as a result of the proposed annexation of unincorporated territory to the City of Palmdale.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

On September 13, 2004, the City Council of the City of Palmdale adopted the attached Joint Resolution based on the negotiated exchange of property tax revenue resulting from the proposed annexation of approximately 93 acres of vacant land.

In order for the Local Agency Formation Commission (LAFCO) of Los Angeles County to proceed with the required hearings on the proposed annexation, your Board, as governing body of the County of Los Angeles and County Road District No. 5, must adopt the attached Joint Resolution.

**FISCAL IMPACT/FINANCING**

The adopted Resolution will transfer from the County to the City of Palmdale, the statutorily prescribed base property tax and annual property tax increment due to the City (7 percent before Educational Revenue Augmentation Fund adjustment) attributable to the annexation area.

Honorable Board of Supervisors  
October 5, 2004  
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### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Pursuant to Part 3, Division 3, Title 5 of the California Government Code, commencing with Section 56000, the City adopted a resolution and filed its application with LAFCO on May 10, 2004 to initiate proceedings for annexation of approximately 93 acres of unincorporated County territory to the City of Palmdale.

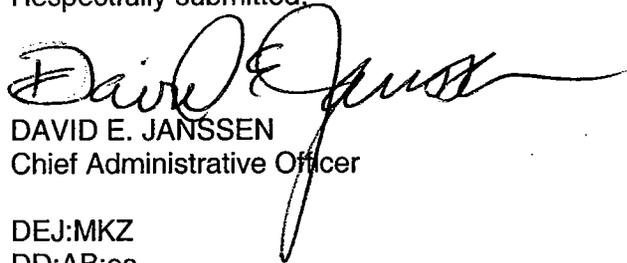
Section 99 of the Revenue and Taxation Code (R & T Code) requires that prior to the effective date of any jurisdictional change, the governing bodies of all agencies whose service area or service responsibilities will be altered by such change must negotiate a reallocation of property tax revenue between the affected agencies, and approve and accept such reallocation by resolution. The City of Palmdale has adopted the negotiated Joint Resolution, as required by Section 99 of the R & T Code. Adoption of the Resolution by your Board will allow LAFCO to schedule the required public hearing to consider testimony on the proposed annexation. LAFCO will subsequently take action to approve, approve with changes, or disapprove the proposal.

The Joint Resolution has been approved as to form by County Counsel.

### **CONCLUSION**

At such time as the recommendation is approved by your Board, please return one copy of the letter and three signed originals of the Resolution to LAFCO, one approved copy of this letter and one signed original Resolution to the Chief Administrative Office, Office of Unincorporated Area Services and Special Projects, and one copy of the approved letter and Resolution to the Auditor-Controller, Tax Division.

Respectfully submitted,



DAVID E. JANSSEN  
Chief Administrative Officer

DEJ:MKZ  
DD:AB:os

Attachment

c: Auditor-Controller  
County Counsel

**JOINT RESOLUTION OF  
THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES  
AND THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING AND  
ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE  
RESULTING FROM "ANNEXATION NO. 2004-02" TO THE CITY OF PALMDALE  
AND DETACHMENT FROM THE COUNTY ROAD DISTRICT NO. 5**

**WHEREAS**, pursuant to Section 99 of the Revenue and Taxation Code, for specified jurisdictional changes, the governing bodies of affected agencies shall negotiate and determine the amount of property tax revenue to be exchanged between the affected agencies; and

**WHEREAS**, the Board of Supervisors as the governing body of the County of Los Angeles and the City Council of the City of Palmdale have determined the amount of property tax revenues to be exchanged between their respective agencies as a result of the annexation of unincorporated territory to the City of Palmdale identified as "Annexation No. 2004-02" and detachment from the County Road District No. 5, is as set forth below:

**NOW, THEREFORE, BE IT RESOLVED** as follows:

1. The negotiated exchange of property tax revenue between the County of Los Angeles and the City of Palmdale resulting from "Annexation No. 2004-02" is approved and accepted.

2. The Auditor-Controller shall calculate the amount of base property tax revenue to be transferred from the County to the City for the fiscal years commencing on or after July 1, 2005, or the July 1 after the effective date of this jurisdictional change, whichever is later. The amount of base property tax revenue to be transferred shall equal the amount of taxes generated by the 1 percent base levy, attributable to the annexation area, multiplied by a rate that equals 7 percent before Educational Revenue Augmentation Fund (ERAF) adjustments.

3. For each fiscal year commencing on or after July 1, 2005, or the July 1 after the effective date of this jurisdictional change, whichever is later, a portion of the annual tax increment attributable to the City of Palmdale "Annexation No. 2004-02" area equal to 7 percent, before ERAF adjustments, shall also be transferred from the County of Los Angeles to the City of Palmdale.

4. For fiscal years commencing on or after July 1, 2005, or the July 1 after the effective date of this jurisdictional change, whichever is later, all property tax revenue received by the County Road District No. 5 attributable to "Annexation No. 2004-02" shall be transferred to the County of Los Angeles.

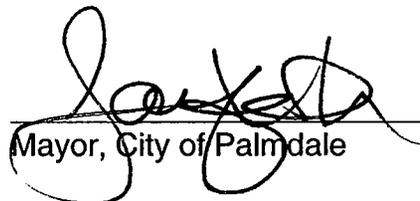
5. For fiscal years commencing on or after July 1, 2005, or the July 1 after the effective date of this jurisdictional change, whichever is later, all property tax revenue received by the County Public Library attributable to the Palmdale "Annexation No. 2004-02" area shall be transferred to the County of Los Angeles.

6. In the event that all or a portion of the annexation area is included within a redevelopment project pursuant to California Community Redevelopment Law, Health & Safety Code Sections 33000 et seq., the City of Palmdale shall not adopt the ordinance approving the redevelopment plan with respect to the annexed area until such time as the Redevelopment Agency of the City of Palmdale has diligently and in good faith complied with all applicable provisions of the California Community Redevelopment Law, including but not limited to, Health & Safety Code Section 33670 or any other relevant provision of the law. Any ordinance approving a redevelopment project which does not comply with this paragraph shall be void and of no effect with regard to the subsequent allocation and distribution of taxes to the Redevelopment Agency.

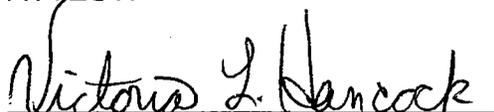
PASSED, APPROVED AND ADOPTED this 13th day of September, 2004  
by the following vote:

AYES: Ledford, Loa    ABSENT: None  
Root, Hofbauer, & Dispenza

NOES: None                      ABSTAIN: None

  
\_\_\_\_\_  
Mayor, City of Palmdale

ATTEST:

  
\_\_\_\_\_  
City Clerk

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**(Signed in Counterpart)**

