



County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

July 21, 2009

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

Dear Supervisors:

**JOINT TAX TRANSFER RESOLUTION BETWEEN THE
COUNTY OF LOS ANGELES AND THE CITY OF DIAMOND BAR, APPROVING AND
ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE
RESULTING FROM THE PROPOSED ANNEXATION OF UNINCORPORATED
TERRITORY (ROWLAND HEIGHTS) TO THE CITY OF DIAMOND BAR,
WITHDRAWAL OF COUNTY LIGHTING MAINTENANCE DISTRICT 1687,
DETACHMENT FROM COUNTY ROAD DISTRICT NO. 4 AND COUNTY ROAD
DISTRICT NO. 5, AND ANNEXATION TO COUNTY LIGHTING MAINTENANCE
DISTRICT 10006
(DIAMOND BAR ANNEXATION 2007-20)
(SUPERVISORIAL DISTRICT 4) (3 VOTÉS)**

SUBJECT

Adoption of the joint property tax resolution for the annexation of unincorporated territory to the City of Diamond Bar.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Adopt the attached Joint Resolution between your Board and the City Council of the City of Diamond Bar (City) based on the negotiated exchange of property tax revenue, as a result of the proposed annexation of 106.7 acres of inhabited County territory located in unincorporated Rowland Heights, to the City of Diamond Bar.

"To Enrich Lives Through Effective And Caring Service"

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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The City Council of the City of Diamond Bar has adopted the attached Joint Resolution based on the negotiated exchange of property tax revenue resulting from the proposed annexation of unincorporated territory to the City of Diamond Bar. The territory consists of approximately 106.7 acres of unincorporated territory (Rowland Heights), which is generally located southeast of the City of Diamond Bar boundary limits, and is generally bounded by Brea Canyon Road to the north, Diamond Canyon Road to the east, and the Orange Freeway (57) to the east and south.

In order for the Local Agency Formation Commission (LAFCO) for Los Angeles County to proceed with the required hearings on the proposed annexation, your Board, as the governing body of the County, must adopt the attached Joint Resolution (Attachment I).

FISCAL IMPACT/FINANCING

The annexation necessitates a transfer of the property tax base revenue and adjustment of the annual property tax increment from the County of Los Angeles to the City of Diamond Bar. The adopted resolution will transfer Fifty One Thousand and Ninety Three Dollars (\$51,093) in base property tax revenue from the County to the City and will allocate a share (.051566969) of the annual property tax increment attributable to the City of Diamond Bar Annexation 2007-20 in the two impacted tax rate areas from the County to the City commencing in Fiscal Year 2011-12.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Part 3, Title 5 of the California Government Code, commencing with Section 56000, the City of Diamond Bar adopted a resolution and filed an application with LAFCO to initiate proceedings for annexation of the subject territory to the City of Diamond Bar.

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 Council of the City of Diamond Bar has adopted the negotiated Joint Resolution, as required by Section 99 of the R & T Code.

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Adoption of the Resolution by your Board will allow LAFCO to schedule the required public hearings to consider testimony on the proposed annexation. LAFCO will subsequently take action to approve, approve with changes or disapprove the proposal for the annexation.


Since the proposed territory to be annexed to the City of Diamond Bar is currently in Unincorporated County area, the roadways within the area are within the County of Los Angeles Road Maintenance Districts No. 4 and No. 5 and the street lights are within County Lighting Maintenance District (CLMD) 1687. Upon annexation, the roadways will be detached from County of Los Angeles Road Maintenance Districts No. 4 and No. 5 and the street lights will be withdrawn from CLMD 1687 and annexed into CLMD 10006, which administers street lights within the City of Diamond Bar. The Joint Resolution returns the property tax attributable to County of Los Angeles Road Maintenance Districts No. 4 and No. 5 to the County of Los Angeles and transfers the property tax attributable to CLMD 1687 to CLMD 10006.

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 five signed originals of the Resolution to LAFCO, three approved copies of this letter and two signed originals of the Resolution to the Chief Executive Office, Office of Unincorporated Area Services, and one copy of the approved letter and a copy of the Resolution to the Auditor-Controller, Tax Division.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:LS
DSP:TH:ib

Attachments

c: Auditor-Controller
County Counsel
City of Diamond Bar
Sandor Winger, LAFCO

JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, AND THE CITY COUNCIL OF THE CITY OF DIAMOND BAR, APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM THE ANNEXATION OF TERRITORY KNOWN AS ANNEXATION 2007- 20 TO THE CITY OF DIAMOND BAR, WITHDRAWAL OF COUNTY LIGHTING MAINTENANCE DISTRICT 1687, DETACHMENT FROM COUNTY ROAD DISTRICT NO. 4 AND COUNTY ROAD DISTRICT NO. 5, AND ANNEXATION TO COUNTY LIGHTING MAINTENANCE DISTRICT 10006

WHEREAS, the City of Diamond Bar initiated proceedings with the Local Agency Formation Commission of Los Angeles County (LAFCO) for the annexation of territory identified as Annexation 2007-20 into the City of Diamond Bar; and

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 area proposed for annexation is identified as Annexation 2007-20 and consists of approximately 106 acres of unincorporated territory located in Rowland Heights. The area is generally bounded by Brea Canyon Road to the north, Diamond Bar Canyon to the east, and the Orange Freeway (57) to the east and south; and

WHEREAS, the area is located within the boundaries of County Lighting Maintenance District 1687; and

WHEREAS, upon LAFCO's approval of Annexation No. 2007-20, the territory shall be withdrawn from County Lighting Maintenance District 1687 and annexed to County Lighting Maintenance District 10006, which serves the City of Diamond Bar; and

WHEREAS, the Board of Supervisors of the County of Los Angeles, as governing body of the County and the County of Los Angeles Road Maintenance Districts No. 4 and No. 5, and County Lighting Maintenance Districts 1687 and 10006, and the City Council of the City of Diamond Bar, have determined the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation of the unincorporated territory identified as Annexation 2007-20 to the City of Diamond Bar, detachment from County Road Districts No. 4 and No. 5, withdrawal from County Lighting Maintenance District 1687, and annexation to County Lighting Maintenance District 10006, 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 Diamond Bar, resulting from Annexation 2007-20 is approved and accepted.

2. For fiscal year commencing on or after July 1, 2010, or the July 1 after the effective date of this jurisdictional change, whichever is later, the tax-sharing ratio of .01195128 from County Lighting Maintenance District 1687, attributable to Annexation 2007-20, shall be transferred to County Lighting Maintenance District 10006.

3. For fiscal years commencing on or after July 1, 2010, or the July 1 after the effective date of this jurisdictional change, whichever is later, property tax revenue received by County Road Districts No. 4 and No. 5, attributable to Annexation 2007-20, shall be transferred to the County of Los Angeles.

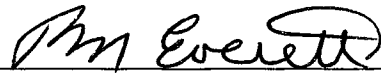
4. For fiscal years commencing on or after July 1, 2010, or the July 1 after the effective date of this jurisdictional change, whichever is later, Fifty One Thousand and Ninety Three Dollars (\$51,093) in property tax revenue shall be transferred from the County of Los Angeles to the City of Diamond Bar. In addition, for each fiscal year commencing on or after July 1, 2009 or the July 1 after the effective date of this jurisdictional change, whichever is later, .051566969 of the annual property tax growth attributable to Annexation 2007-20 shall be transferred from the County of Los Angeles to the City of Diamond Bar, and the County's share of incremental growth in the proposed annexation area shall be reduced accordingly.

5. 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 Diamond Bar 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 Diamond Bar 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 16th day of June, 2009
by the following vote:

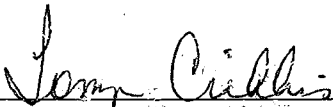
AYES: Chang, Tanaka, Tye ABSENT: None
MPT/Herrera, M/Everett

NOES: None ABSTAIN: None



RON EVERETT, Mayor
City of Diamond Bar, California

ATTEST:



TOMMYE CRIBBINS, City Clerk
City of Diamond Bar

APPROVED AS TO FORM:



MICHAEL JENKINS, City Attorney
City of Diamond Bar

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(SIGNED IN COUNTERPART)

