



WILLIAM T FUJIOKA
Chief Executive Officer

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>

"To Enrich Lives Through Effective And Caring Service"

Board of Supervisors
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Fifth District

May 13, 2014

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:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

19 May 13, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**JOINT RESOLUTION BETWEEN THE CITY OF SANTA CLARITA AND THE
COUNTY OF LOS ANGELES APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE
OF PROPERTY TAX REVENUE RESULTING FROM THE ANNEXATION
OF UNINCORPORATED TERRITORY KNOWN AS NORTH SAUGUS TO THE
CITY OF SANTA CLARITA (ANNEXATION NO. 2013-03)
(FIFTH DISTRICT)
(3 VOTES)**

SUBJECT

This action is to adopt the Joint Resolution for the Negotiated Exchange of Property Tax Revenue associated with the annexation of unincorporated territory to the City of Santa Clarita.

IT IS RECOMMENDED THAT THE BOARD:

Approve and adopt the Joint Resolution between the Board and the City Council of the City of Santa Clarita based on the negotiated exchange of property tax revenue related to the proposed Annexation 2013-03 of approximately 203 acres of unincorporated territory known as North Saugus to the City of Santa Clarita.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The City Council of the City of Santa Clarita 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 Santa Clarita. The territory consists of approximately 203 acres of unincorporated, uninhabited territory generally located north of the City of Santa Clarita limits, south of the Angeles National Forest, east of San Francisquito Canyon Road, and west of Bouquet Canyon Road.

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

FISCAL IMPACT/FINANCING

The adopted Joint Resolution will transfer Two Thousand Seven Hundred Thirty Six Dollars (\$2,736) in base property tax revenue from the County General Fund to the City, and will transfer a share – approximately 5.33 percent of the annual property tax increment in Tax Rate Area 08700, 5.08 percent in Tax Rate Area 08720, 7.53 percent in Tax Rate Area 08723, and 6.76 percent in Tax Rate Area 08761 – from the County to the City, as contained in the Joint Resolution. In addition, One Thousand One Hundred Sixty-Five Dollars (\$1,165) in base property tax revenue and a share – approximately 2.86 percent of the annual property tax increment in Tax Rate Area 08700, 3.20 percent in Tax Rate Area 08720, 3.12 percent in Tax Rate Area 08723, and 2.27 percent in Tax Rate Area 08761 – will be transferred from the County Library to the City Library. An adjustment will be made to the County budget in the fiscal year following the filing of the statement of boundary change for Annexation No. 2013-03 with the California State Board of Equalization.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Part 3, Division 3, Title 5 of the California Government Code, commencing with Section 56650, the City of Santa Clarita adopted a resolution and filed an application with LAFCO to initiate proceedings for annexation of the subject territory to the City.

Section 99 of the California Revenue and Taxation Code (R&T Code) requires that prior to the scheduling of annexation proceedings at LAFCO, the governing bodies of all agencies whose service area or service responsibilities will be altered by such change must address the fiscal impacts of the proposed annexation by negotiating 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 Santa Clarita has adopted the negotiated Joint Resolution, as required by Section 99 of the R&T Code.

The proposed territory to be annexed to the City of Santa Clarita is currently within the County of Los Angeles Road Maintenance District No. 5 (RMD No. 5) and County Public Library system. Upon annexation of the territory to the City, the territory will be detached from County RMD No. 5, and withdrawn from the County Public Library system.

The proposed territory is also concurrently being annexed into the Greater Los Angeles County Vector Control District through a separate resolution (Greater Los Angeles County Vector Control District Annexation No. 2013-03), which will allow the affected territory to obtain mosquito and vector control services.

Adoption of the Joint Resolution by the 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.

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

ENVIRONMENTAL DOCUMENTATION

The proposed project is not a project pursuant to the California Environmental Quality Act (CEQA) because it is an activity that is excluded from the definition of a project by Section 15378(b) of the State CEQA Guidelines. This proposed action is the creation of a government funding mechanism, a fiscal activity which does not involve any commitment to any specific project, which may result in a potentially significant physical impact on the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Upon the effective date of the annexation, the City will become responsible for providing municipal services to the area within its jurisdiction.

CONCLUSION

At such time as the recommendation is approved by the Board, please return one copy of this letter and five signed originals of the Resolution to LAFCO, one approved copy of this letter and a copy of the Resolution to the Chief Executive Office, Office of Unincorporated Area Services, and one approved copy of this letter and a copy of the Resolution to the Auditor-Controller, Tax Division.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "W. T. Fujioka", with a stylized flourish at the end.

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR:DSP
JST:acn

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Sheriff
Assessor
Auditor-Controller
Fire
Public Library
Public Works
Regional Planning

**JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF LOS ANGELES AND THE CITY COUNCIL OF THE CITY OF
SANTA CLARITA, APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF
PROPERTY TAX REVENUE RESULTING FROM THE ANNEXATION OF TERRITORY
KNOWN AS ANNEXATION 2013-03 (NORTH SAUGUS) TO THE CITY OF
SANTA CLARITA, DETACHMENT FROM COUNTY ROAD DISTRICT NO. 5, AND
WITHDRAWAL FROM THE COUNTY PUBLIC LIBRARY SYSTEM**

WHEREAS, the City of Santa Clarita initiated proceedings with the Local Agency Formation Commission for Los Angeles County (LAFCO) for the annexation of territory identified as Annexation 2013-03 to the City of Santa Clarita; and

WHEREAS, pursuant to Section 99 of the California 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 2013-03 and consists of approximately 203 acres of unincorporated territory known as "North Saugus" generally located north of the City of Santa Clarita limits, south of the Angeles National Forest, east of San Francisquito Canyon Road, and west of Bouquet Canyon Road; and

WHEREAS, effective July 1, 2011, the City of Santa Clarita has withdrawn from the County Public Library system, and therefore, all unincorporated territory annexed to the City of Santa Clarita after that date will also be withdrawn from the County Public Library system; 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 District No. 5 and the County Public Library, and the City Council of the City of Santa Clarita, 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 2013-03, detachment from County Road District No. 5 and withdrawal from the County Public Library system, 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 Santa Clarita, resulting from Annexation 2013-03 is approved and accepted.
2. For the fiscal years commencing in the year after the filing of the statement of boundary change for Annexation 2013-03 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, property tax revenue received by County Road District No. 5, attributable to Annexation 2013-03, shall be transferred to the County of Los Angeles, and the County Road District No. 5 share in the annexation area shall be reduced to zero.
3. In the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2013-03 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, a base of One Thousand, One Hundred, and Sixty Five Dollars (\$1,165) in property tax revenue attributable to the County Public Library

within the territory of Annexation 2013-03, shall be transferred to the City-Santa Clarita Library Fund, and the following ratios of annual property tax increment attributable to each respective Tax Rate Area in the Annexation 2013-03 territory shall be transferred from the County Public Library to the City-Santa Clarita Library Fund as shown below, and the County Public Library's share in the annexation area shall be reduced to zero:

Tax Rate Area	Annual Tax Increment Ratio Transfer to the City-Public Library
08700	0.028582491
08720	0.032029254
08723	0.031178908
08761	0.022692331

4. In the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2013-03 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, a base of Two Thousand, Seven Hundred, and Thirty Six Dollars (\$2,736) in property tax revenue attributable to Annexation 2013-03 shall be transferred from the County of Los Angeles to the City of Santa Clarita, and the following ratios of annual property tax increment attributable to each respective Tax Rate Area in the Annexation 2013-03 territory shall be transferred from the County of Los Angeles to the City of Santa Clarita as shown below, and the County's share shall be reduced accordingly:

Tax Rate Area	Annual Tax Increment Ratio Transfer to the City
08700	0.053306187
08720	0.050844216
08723	0.075348583
08761	0.067620002

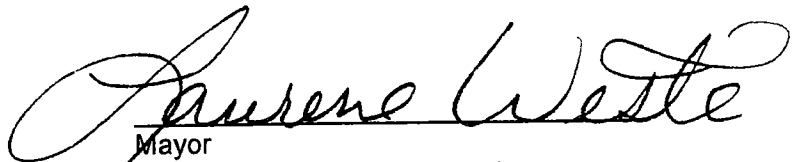
PASSED, APPROVED AND ADOPTED this 28th day of January, 2014
by the following vote:

AYES: Kellar, McLean,
Boydston, Weste

ABSENT: Ferry

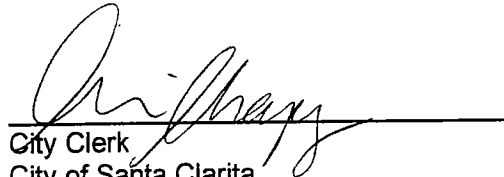
NOES: None

ABSTAIN: None



Mayor
City of Santa Clarita, California

ATTEST:



City Clerk
City of Santa Clarita

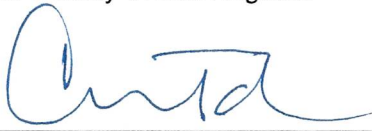
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(Signed in Counterpart)

The foregoing resolution was on the 13th day of May, 2014,
adopted by the Board of Supervisors of the County of Los Angeles and ex officio the
governing body of all other special assessment and taxing districts, agencies and
authorities for which said Board so acts.




SACHI A. HAMAI, Executive Officer
Clerk of the Board of Supervisors
of the County of Los Angeles

By 
Deputy

APPROVED AS TO FORM:

JOHN F. KRATTLI
County Counsel

BY 
Deputy

/

(Signed in Counterpart)