

CITY OF YUBA CITY
STAFF REPORT

Date: November 3, 2009
To: Honorable Mayor & Members of the City Council
From: Community Development Department
Presentation By: Aaron M. Busch, Community Development Director

Summary

Subject: Proposed Tax Exchange Agreement for the Yuba Community College project between the City of Yuba City and Sutter County.

Recommendation: Adopt a Resolution approving a Tax Exchange Agreement with Sutter County for the Yuba Community College Reorganization No. 334.

Fiscal Impact: None

Background:

At their August 4, 2009 meeting, the City Council approved General Plan Amendment GP 09-01 to change the Sphere of Influence and to assign a land use designation of "Public & Semi-Public" and Rezone on 20 acres located north of the City Limits and east of State Route 99 to accommodate Yuba Community College. Additionally, the Council also introduced an ordinance and waived the first reading for Rezone 09-01 which assigned the pre-annexation Zoning classification of "Public Facilities – PF" to the subject property for the future development of a 80,000 square foot community college facility.

Since that approval, the current property owner, Sarb Basrai has submitted an application to the Local Agency Formation Commission (LAFCO) for purposes of annexing the subject property to the City of Yuba City in order to complete the next steps for construction of the college project. Due to the fact that the subject property is located beyond the City's current Sphere of Influence (SOI) it is necessary to amend the existing Tax Share Agreement between the City of Yuba City and Sutter County.

Analysis:

The action before LAFCO is to annex the subject parcel to the City of Yuba City and simultaneously detach it from County Service Area "G" that provides fire protection services to unincorporated lands around the Yuba City area. In addition, the proposed reorganization application includes a minor SOI amendment to accommodate the new territory associated with the community college project.

According to LAFCO regulations, the LAFCO Executive Officer is prohibited by law from issuing a Certificate of Filing on the proposed reorganization until the City of Yuba City and Sutter County determine the amount of property tax revenues to be exchanged between and among the local agencies whose services or responsibilities will be altered if the reorganization is approved. As

previously mentioned, the subject property is currently not within the City's SOI, and is therefore exempt from the provisions of the existing "Master Property Tax Exchange Agreement" (Master Agreement) that was approved by the City Council and Board of Supervisors on July 6, 2000. As such, it is not possible to determine the property tax values necessary for formal LAFCO action. Therefore, it is necessary to incorporate the subject property under the terms and conditions of the original Master Agreement. The attached Resolution accomplishes this task. Once the Council approves the subject Resolution and the Board of Supervisors approves a similar Resolution at their November 3, 3009 meeting, LAFCO will be able to approve the reorganization application, thereby allowing for the future construction of the college project.

Fiscal Impact:

None

Recommendation:

Staff recommends that the City Council adopt a Resolution approving a Tax Exchange Agreement with Sutter County for the Yuba Community College Reorganization No. 334

Prepared By:



Aaron M. Busch
Community Development Director

Submitted By:



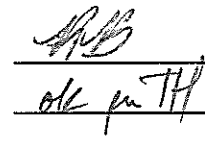
Steven R. Jepsen
City Manager

Reviewed By:

Finance

City Attorney

Other: (Name, Title)



Exhibits

A. Resolution

RESOLUTION NO. 09-_____
RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA
CITY APPROVING A TAX EXCHANGE AGREEMENT WITH SUTTER COUNTY
FOR THE TERRITORY INCLUDED IN THE YUBA COMMUNITY COLLEGE
DISTRICT REORGANIZATION NO 334 (LAFCO 09-01)

WHEREAS, the City Council of Yuba City on August 4, 2009 approved a General Plan amendment (File # GP 09-01) and Rezone (File # RZ 09-01) to change the land use designation and zoning on the subject property to Public /Quasi-Public for purposes of allowing the construction of the new Yuba Community College at the subject location;

WHEREAS, the LAFCO Executive Officer is prohibited by law from issuing a Certificate of Filing on the proposed reorganization until the City of Yuba City (City) and the County of Sutter (County) determine, pursuant to Section 99 of the California Revenue and Taxation Code, the amount of property tax revenues to be exchanged between and among the local agencies whose service areas or responsibilities will be altered should the proposed reorganization occur;

WHEREAS, the agencies affected by the proposed reorganization are the City of Yuba City, Sutter County, and County Service Area G, the successor agency to the Walton Fire Protection District;

WHEREAS, on July 6, 2000, the City Council of Yuba City and the Sutter County Board of Supervisors adopted a joint resolution and agreement (Yuba City Resolution 00-092 and Sutter County Resolution No. 00-050), entitled "Joint Resolution of the Sutter County Board of Supervisors and the Yuba City City Council providing for Yuba City Sphere of Influence Planning, Sales Tax Sharing, and a Master Property Tax Exchange Agreement" (Master Agreement);

WHEREAS, the Agreement specified, among other things, how property and sales tax revenues received by City and County respectively, will be allocated between them and other affected agencies when territory is annexed to City;

WHEREAS, the territory included in the boundaries of the Yuba Community College District Reorganization as identified on the attached map, is not within the territory included in the Agreement; and,

WHEREAS, the City Council of Yuba City believes the annexation of the territory included in the proposed reorganization would facilitate orderly growth, and the provision of important educational opportunities for the community.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF YUBA CITY THAT:

A. The above recitals are incorporated herein by reference.

B. Should the proceedings of the Yuba Community College District Reorganization No. 334 (LAFCO-09-01) be completed, and the reorganization occur, the property and sales tax revenue generated by the by the reorganization as shown on the enclosed map, shall be allocated among the affected agencies in the manner described in Sections II, III, IV, V, VI-A B D E and F and VII of the Master Agreement. No other provisions of the Master Agreement shall apply to this Tax Exchange Resolution for the Yuba Community College Reorganization No. 334 (LAFCO-09-01).

The foregoing resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the ___ day of _____, 2009.

AYES:

NOES:

ABSENT:

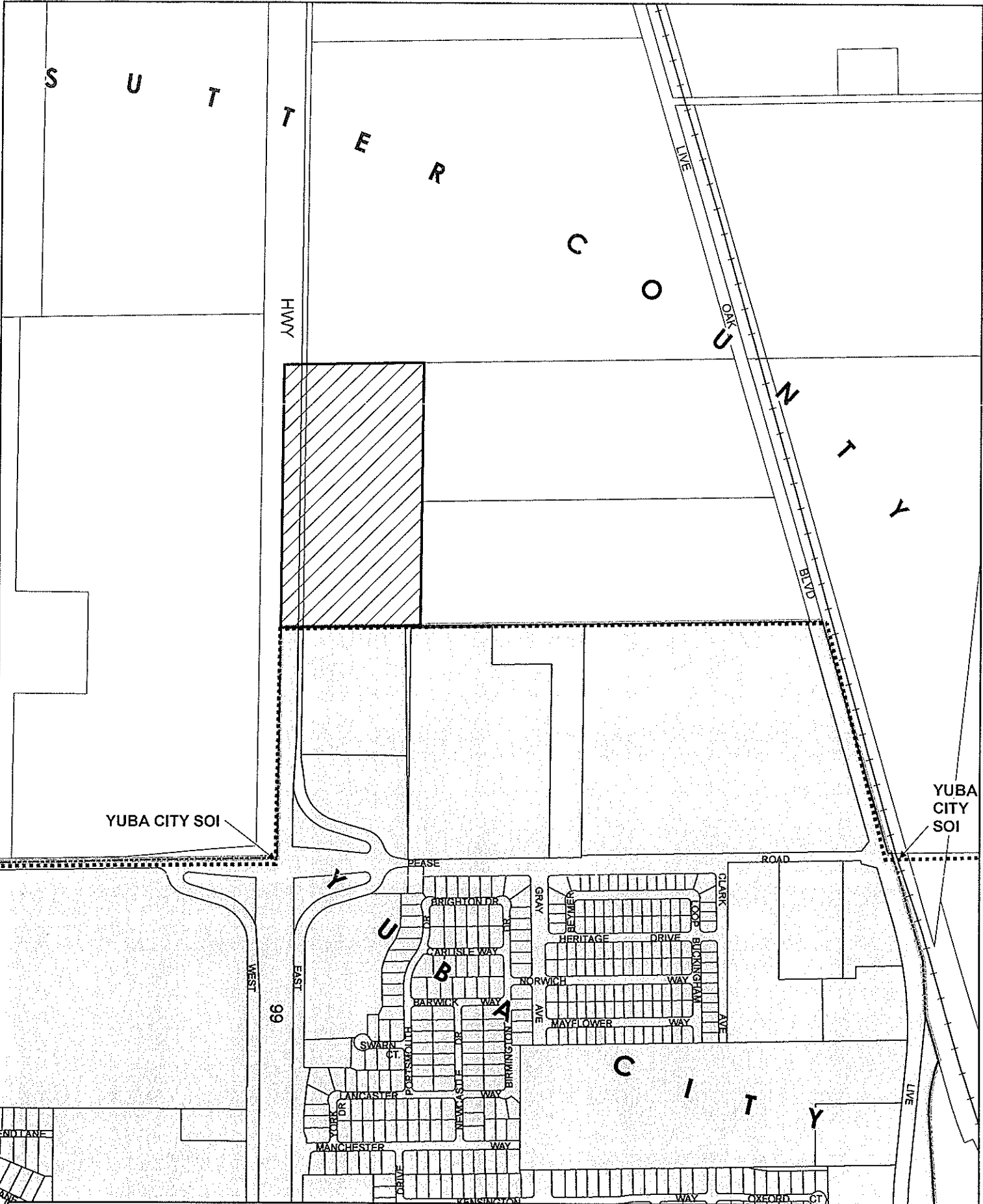
Mayor

ATTEST:

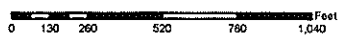
City Clerk



Approved as to form:

City Attorney



YUBA COMMUNITY COLLEGE DISTRICT REORGANIZATION NO. 334
 LAFCO 09-01



 Annexation Area  Yuba City

