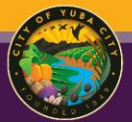




Bogue Stewart Master Plan – Master Tax Exchange Agreement

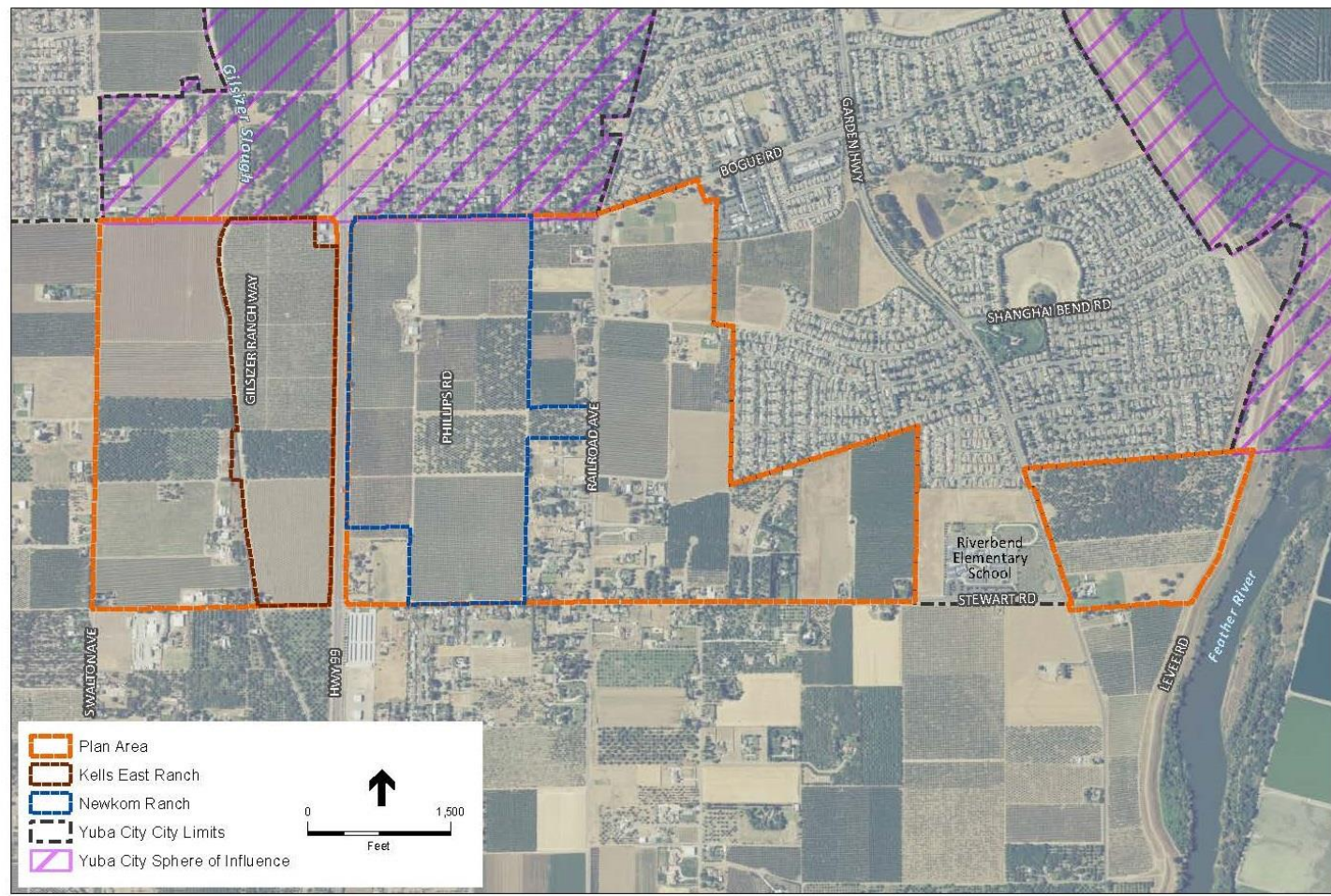


Presentation By:
Diana Langley, Public Works Director

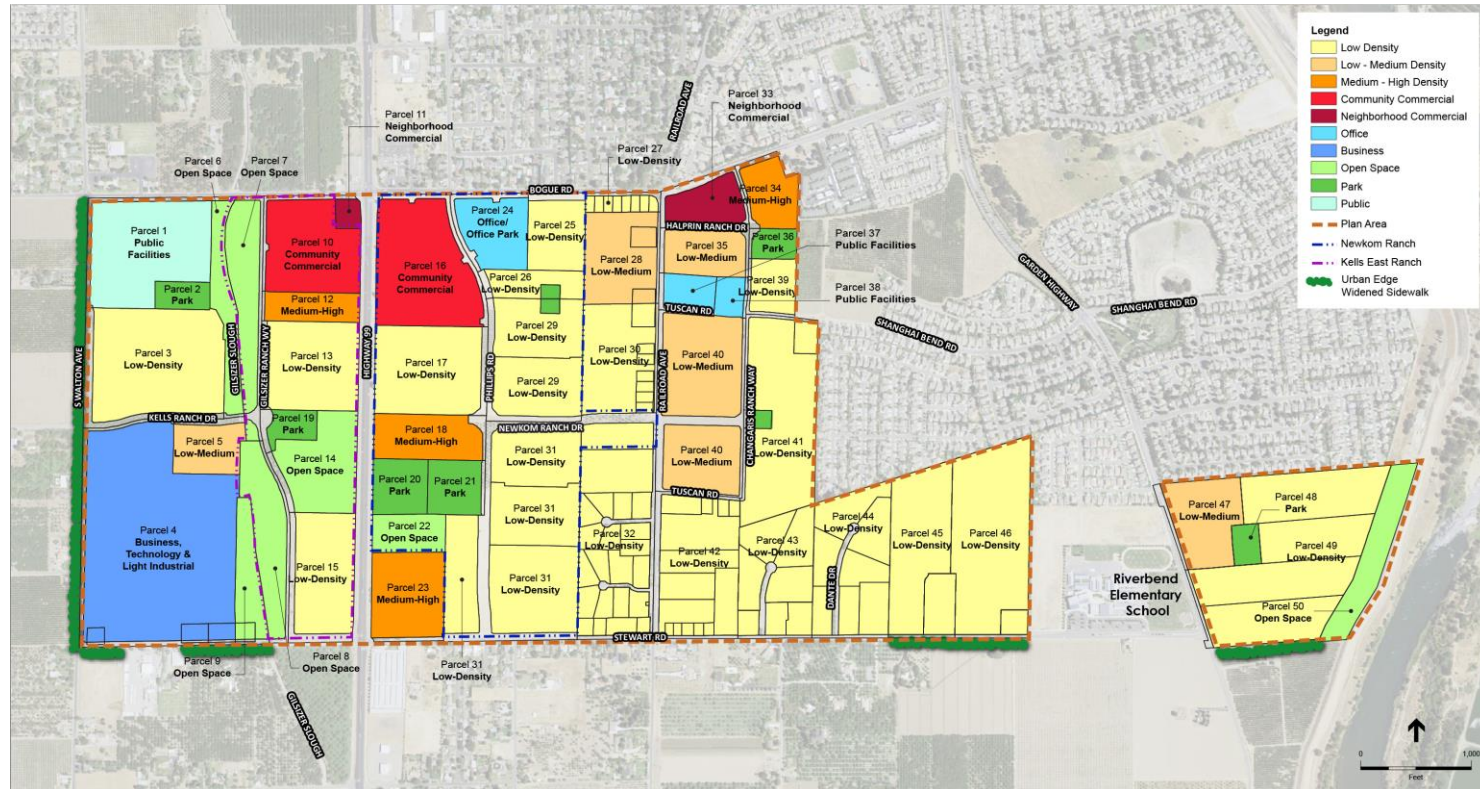


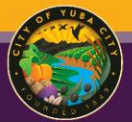
Background

- Bogue-Stewart Master Plan (BSMP) guides the orderly development of 741.5 acres located along the southern edge of Yuba City outside of the existing Sphere of Influence



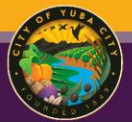
Land Use





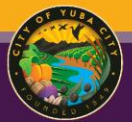
Background

- November 12, 2020 – Sutter Local Agency Formation Commission (LAFCO) approved an amendment to the City's Sphere of Influence to include the BSMP area
- Newkom Ranch has submitted an application to annex into the City



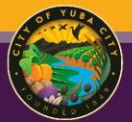
Master Tax Exchange Agreement

- In order for properties within the BMSP area to annex into the City, State law requires both jurisdictions (City of Yuba City and Sutter County) to approve a resolution authorizing an agreement for sharing of revenues generated in the annexation area before LAFCO can determine an annexation application complete
- Agreements are typically referred to as a Master Tax Exchange Agreement (MTEA)



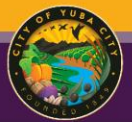
Master Tax Exchange Agreement

	City Proposal April 22, 2021		County Proposal April 16, 2021	
	Sutter County	City of Yuba City	Sutter County	City of Yuba City
Property Tax Split	64%	36%	68.25%	31.75%
Sales Tax Split ¹	10%	90%	10%	90%
Estimated Net Revenues	\$834,409 ²	\$679,464	\$911,573 ²	\$565,760
Estimated Net Revenues as a % of Expenses	30.4%	14.9%	33.2%	12.4%



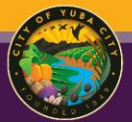
Master Tax Exchange Agreement

- The designated Council Sub-Committee of Mayor Boomgaarden and Vice Mayor Shaw requested that the latest proposals be presented to the entire City Council for discussion and consideration
- Should Council choose to approve the City's proposal, it does not mean that the County will agree to it
- If an agreement cannot be made, then annexation applications within the BSMP area cannot move forward



Alternatives

- Develop a different counter-proposal to present to the County
- Accept the County's current proposal
- Do not approve the City's proposal or the County's proposal and stop negotiations, which will result in all annexation applications being stalled indefinitely
- Negotiate a MTEA specific to the current Newkom Ranch annexation application, and address the remainder of the BSMP area at a later date



Recommendation

- Approve the City's proposal for the Bogue Stewart Master Plan Master Tax Exchange Agreement with Sutter County to split property taxes 64% to the County and 35% to the City and sales taxes 10% to the County and 90% to the City