

RESOLUTION NO. _____ (2025 SERIES)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN LUIS OBISPO, CALIFORNIA, ACCEPTING A NEGOTIATED EXCHANGE OF TAX REVENUE AND ANNUAL TAX INCREMENT BETWEEN THE COUNTY OF SAN LUIS OBISPO AND THE CITY OF SAN LUIS OBISPO FOR DETACHMENT #04 (SLACK STREET AND HATHWAY) FROM THE CITY OF SAN LUIS OBISPO

WHEREAS, the City of San Luis Obispo, a charter city and municipal corporation, wishes to move forward with the detachment of the Slack Street and Hathway area; and

WHEREAS, in the case of a jurisdictional change other than a city incorporation or district formation which will alter the service area or responsibility of a local agency, Revenue and Taxation Code Section 99(a)(1) requires that the amount of property tax revenue to be exchanged, if any, and the amount of annual tax increment to be exchanged among the affected local agencies shall be determined by negotiation; and

WHEREAS, Revenue and Taxation Code Section 99(b)(6) requires that each local agency, upon completion of negotiations, adopt resolutions whereby said local agencies agree to accept the negotiated exchange of property tax revenues, if any, and annual tax increment and requires that each local agency transmit a copy of each such resolution to the Executive Officer of the Local Agency Formation Commission; and

WHEREAS, no later than the date on which the certificate of completion of the jurisdictional change is recorded with the County Recorder, the Executive Officer shall notify the County Auditor of the exchange of tax revenues by transmitting a copy of said resolutions to him and the County Auditor shall thereafter make the appropriate adjustments as required by law; and

WHEREAS, the properties being detached (Slack Street right-of-way and Hathway Parcel No. 052-082-028) are currently owned by the State of California and/or consist of existing right-of-way and are therefore exempt from property taxation; and

WHEREAS, the City of San Luis Obispo is currently allocated 14.880123 percent of the property tax generated in the subject property; and

WHEREAS, the negotiations have taken place concerning the transfer of tax revenues and annual tax increments between the County of San Luis Obispo and the City of San Luis Obispo pursuant to Section 99(a)(1) for the jurisdictional change designated as Detachment No. 04 from the City of San Luis Obispo (Slack Street and Hathway); and

WHEREAS, the negotiating parties, to wit: Lisa Howe, Division Manager, County of San Luis Obispo, on behalf of the County and Emily Jackson, Finance Director, City of San Luis Obispo, on behalf of the City have negotiated the exchange of tax revenue and annual tax increments between such entities as hereinafter set forth; and

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WHEREAS, it is in the public interest that such a negotiated exchange of tax revenues and annual tax increments be consummated.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of San Luis Obispo as follows:

SECTION 1. Agreement. The City Council agrees to accept the following negotiated exchange of property tax revenues:

1. The City shall transfer the City's currently allocated percent (14.880123) of property taxes generated in the subject property to the County of San Luis Obispo.
2. Annual tax increments shall be transferred from the City of San Luis Obispo to the County of San Luis Obispo effective the roll year specified by the California Board of Equalization, anticipated fiscal year 2025-26, after transfers to the Educational Revenue Augmentation Fund (ERAF).

SECTION 2. Transmittal. The City Clerk is authorized and directed to transmit a certified copy of the resolution to the Executive Officer of the San Luis Obispo Local Agency Formation Commission, who shall then distribute copies in the manner prescribed by law:

Upon motion of _____, seconded by _____, and on the following roll call vote:

AYES:

NOES:

ABSENT:

The foregoing resolution was adopted this _____ day of _____ 2025.

Mayor Erica A. Stewart

ATTEST:

Teresa Purrington
City Clerk

APPROVED AS TO FORM:

J. Christine Dietrick
City Attorney

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of San Luis Obispo, California, on _____.

Teresa Purrington
City Clerk

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