

## RESOLUTION NO. 24-319

### A RESOLUTION OF THE ARCATA FIRE PROTECTION DISTRICT AUTHORIZING A SECURED PROPERTY TAX REVENUE EXCHANGE BETWEEN THE COUNTY OF HUMBOLDT AND THE ARCATA FIRE PROTECTION DISTRICT

**WHEREAS**, on June 6, 1978, the voters of the State of California amended the California Constitution by adding Article XIII A thereto which limited the total amount of property taxes which could be levied on real property by local taxing agencies to one percent (1%) of full cash value; and

**WHEREAS**, following such constitutional amendment, the California Legislature added Section 99 to the California Revenue and Taxation Code which requires an exchange of property tax revenues when a jurisdictional change alters the service responsibilities of one (1) or more local agencies; and

**WHEREAS**, on April 9, 2019, the Humboldt County Board of Supervisors (“Board”) adopted a group of strategies and expectations to enable local fire districts to utilize property tax sharing agreements with the County of Humboldt (“County”) in support of annexation and a commitment to service delivery in areas outside current district boundaries that included five (5) standardized Tax Exchange Agreement Offers with specific expectations that must be achieved to qualify for a tax exchange offer; and

**WHEREAS**, on December 12, 2023, the Arcata Fire Protection District (“District”) approved Resolution Number 23-297, “A Resolution of Application by the Arcata Fire Protection District Requesting the Local Agency Formation Commission Take Proceedings for the Annexation of Arcata Fire Protection District Good Will Response Area” and filed an application with the Humboldt Local Agency Formation Commission (“LAFCo”) requesting annexation of approximately three thousand five hundred and sixty one (3,561) acres of real property representing District’s out of district good will fire service response area; and

**WHEREAS**, consistent with Tax Exchange Agreement Offer 2, District prepared a Property Tax Exchange Agreement Proposal, Exhibit A, that is intended to meet all of the expectations and commitments outlined in of the Board adopted strategies and expectations; and

**WHEREAS**, consistent with Tax Exchange Agreement Offer 2, District prepared a Property Tax Exchange Agreement consistent with the form previously used by the County, Exhibit B, that is intended to meet the requirements of the District and the Board and state law, and

**WHEREAS**, LAFCo considered and approved the proposed annexation proposal as part of a noticed public hearing on March 20, 2024 (Resolution No. 24-02), subject to the completion of the Property Tax Exchange Agreement; and

**WHEREAS**, the District Board authorizes the President of the Board of Directors, after review and determination that the final agreement is fully consistent with the terms and conditions contained herein, to execute on behalf of the District, the Secured Property Tax Revenue Exchange Agreement by and between the District and County; and

**WHEREAS**, County will continue to retain all of its service responsibilities in the annexed area despite the jurisdictional change; and

**WHEREAS**, County and District agree that Offer 2, as adopted by the Supervisors on April 9, 2019, represents an appropriate approach to the sharing of real property ad valorem taxes imposed and collected as authorized by Section 99(d) of the California Revenue and Taxation Code in order to encourage fire suppression services; and

**NOW, THEREFORE, BE IT RESOLVED** that the Arcata Fire Protection District Board of Directors hereby authorizes the President of the Board of Directors, after review and determination that the final agreement substantially conforms with the terms and conditions contained herein, to execute on behalf of the Board the Secured Property Tax Revenue Exchange Agreement for the District's Good Will Response Area Annexation.

Ayes: Akana, Johnson, Mendosa, Loudenslager

Nays:

Abstain:

Absent: Maynor

**DATED:** October 8, 2024

Signed:

  
Eric Loudenslager, President

Attest:

  
Katie Hill, Clerk of the Board