

*Before the Board of Supervisors  
County of Monterey, State of California*

**Resolution No. 24-280**

Approving the Property Tax Sharing distribution between the )  
County of Monterey and the City of Greenfield for the proposed )  
“Tunzi-Thorp Annexation” involving annexation of 18.67 acres to )  
the City of Greenfield. (APNS: 109-232-006 AND 109-232-007) )

**WHEREAS**, the Revenue and Taxation Code Section 99 (Assembly Bill 8 (Chapter 282) Statutes 1979, as amended by Senate Bill 180 (Chapter 801)), provides for the Monterey County Board of Supervisors to determine an appropriate tax transfer for all jurisdictional changes of organization occurring within Monterey County and for the city council of any affected city to concur on the transfer prior to the proposal being considered by the Local Agency Formation Commission (LAFCO); and

**WHEREAS**, the current distribution of property taxes within Tax Rate Area 078-001 is as follows:

26.18%	Monterey County's Share
<u>73.82%</u>	Non-affected District's Share
100.00%	Total; and

**WHEREAS**, the Revenue and Taxation Code Section 99 (Senate Bill 180 (Chapter 801)) requires that non-affected local agencies percentage share will remain constant; and

**WHEREAS**, the County of Monterey and the City of Greenfield wish to agree to a fair share distribution of remaining property tax revenues; and

**WHEREAS**, the County of Monterey has realized a 41% reduction and the City has realized a 16% reduction in property tax revenue imposed by the State under Senate Bill 617 (Chapter 699) Statutes 1992; and whereas each year thereafter both the County and the City continue to shift revenues to the Education Revenue Augmentation Fund;

**NOW, THEREFORE, BE IT HEREBY RESOLVED** that the City of Greenfield City Council does hereby agree to the following formulas for property tax base and increment distribution within Tax Rate Area 078-001 after change of organization annexation:

**A. DISTRIBUTION OF PROPERTY TAX BASE**

The County's property tax revenues have realized a 41 percent reduction imposed by the State under Senate Bill 617 (Chapter 699) Statutes 1992.

Reduction of Property Tax due to ERAF

Monterey County's Share	26.18%
ERAF Reduction	- 41.00%
Monterey County Adjusted Share	15.44%

Share Available for Distribution	15.44%
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Property tax base is the property tax revenue that is available prior to change of organization/reorganization.

Prior to Change of Organization/Reorganization

(City of Greenfield,  
Tax Rate Area 078-001)

	<u>Current Rate</u>	<u>Current Ratio</u>
City of Greenfield	12.60%	32.49%
Monterey County	26.18%	67.51%

After Change of Organization/Reorganization

(New Tax Rate Area  
To Be Assigned)

15.44%	Property Tax Available for Distribution
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## 1. City of Greenfield's Share of Total Property Taxes Collected:

15.44%	Property Tax Available for Distribution City
X <u>32.49%</u>	of Greenfield's Current Ratio
= 5.02%	

## 2. Monterey County's Share of Total Property Taxes Collected:

$$\begin{array}{rcl}
 & 15.44\% & \text{Property Tax Available for Distribution} \\
 \text{X } & \underline{67.51\%} & \text{Monterey County's Current Ratio} \\
 = & 10.42\% &
 \end{array}$$

Plus

$$\begin{array}{rcl}
 & 10.73\% & \text{Adjustment for State Tax Shift} \\
 = & 21.15\% &
 \end{array}$$

Formula for property tax base allocation to the City of Greenfield from Tax Rate Area 078- 001 after change of organization/reorganization:

$$\text{City of Greenfield's Property Tax Revenue} =$$

$$\begin{array}{rclclcl}
 \text{Total Property Taxes Collected} & \text{X} & 5.02\% & \text{X} & \text{Full Months Remaining in Tax} \\
 \text{Year} & + & \text{by 12.} & &
 \end{array}$$

**B. DISTRIBUTION OF PROPERTY TAX INCREMENT**

Property tax increment is the increase in property tax revenue above the base resulting from the increase in assessed value of property after the change in organization/reorganization.

The formula recognizes that all future growth will be subject to a shift to Education Revenue Augmentation Fund (ERAF) in the amount of 41% for the County and 16% for the City. After the shift, the County and the City will be in the same relative position as before dividing the remainder.

Prior to Change of Organization/Reorganization

					(City of Greenfield, Tax Rate Area 078-001)
	<u>Current</u> Rate	.....	<u>ERAF</u> <u>Adjustment</u>	=	<u>Resulting</u> Rate
					<u>Resulting</u> Ratio
City of Greenfield	12.60%		84%		15.00%
Monterey County	26.18%		59%		44.37%
					74.74%

Based on existing Tax Rate Area 078-001, Monterey County's share of property tax is 26.18%. The total property tax available for distribution in the proposal area is 26.18%. The new Resulting Ratios calculated above are applied to the increment.

After Change of Organization/Reorganization

$$\begin{array}{rcl}
 26.18\% & \text{Property Tax Available for Distribution} & \\
 & & \text{(New Tax Rate Area} \\
 & & \text{To Be Assigned)}
 \end{array}$$

1. City of Greenfield's Share of Property Tax Increment:

$$\begin{array}{rcl} & 26.18\% & \text{Property Tax Available for Distribution} \\ \text{X} & \underline{25.26\%} & \text{City of Greenfield's New Resulting Ratio} \\ = & 6.61\% & \end{array}$$

2. Monterey County's Share of Property Tax Increment:

$$\begin{array}{rcl} & 26.18\% & \text{Property Tax Available for Distribution} \\ \text{X} & \underline{74.74\%} & \text{Monterey County's Current Ratio} \\ = & 19.57\% & \end{array}$$

Formula for property tax base allocation to the City of Greenfield from Tax Rate Area 078- 001 after change of organization/reorganization:

$$\begin{array}{lcl} \text{City of Greenfield's Property Tax Revenue} & = & \\ \text{Total Property Taxes Collected} & \text{X } 6.61\% & \text{X Full Months Remaining in Tax} \end{array}$$

PASSED AND ADOPTED on this 13<sup>th</sup> day of August 2024, by roll call vote:

AYES: Supervisors Alejo, Church, Lopez, Askew, and Adams

NOES: None

ABSENT: None

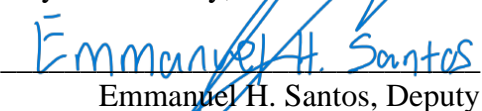
I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting on August 13, 2024.

Dated: August 16, 2024

File ID: 24-539

Agenda Item No. 69

Valerie Ralph, Clerk of the Board of Supervisors  
County of Monterey, State of California

  
Emmanuel H. Santos, Deputy