

Attachment 5

MUNICIPAL TAX SHARING AGREEMENT BETWEEN THE COUNTY OF SISKIYOU AND THE CITY OF YREKA REGARDING THE DISTRIBUTION OF TAXES UPON ANNEXATION OF REAL PROPERTY TO THE CITY

THIS AGREEMENT is made by and between the COUNTY OF SISKIYOU (“County”) and the CITY OF YREKA (“City”) on the ___day of _____, 2024.

WHEREAS, the City is pursuing the annexation of County property to the City of Yreka, referred to as the Evans-Wilmarth Annexation (LAF-23-01) property for the purposes of this project; and

WHEREAS, this project would consist of annexing 3.2 acres of property within the County (APN 014-430-120) to an existing parcel in the City of Yreka (APN 062-202-150), thereby increasing the existing City of Yreka parcel to five acres; and

WHEREAS, Section 99 of the California Revenue and Taxation Code requires a city seeking to annex property to its incorporated territory and a county affected by such annexation to agree upon an exchange of property taxes prior to LAFCO certifying the application as complete; and

WHEREAS, County and City are willing to provide for such an exchange of property taxes and other revenue related to the Evans Property; and

WHEREAS, the City and County recognize the importance of the City’s and County’s services and maintaining adequate service levels to the annexed property; and

WHEREAS, the County will continue to provide a variety of county-wide services to the residents of the annexed property including jails, juvenile detention, district attorney, public defender, probation, child support services, health and human services, elections, recording, assessor, environmental health, and agricultural services, and County requires sufficient revenues to maintain existing service levels; and

WHEREAS, as a matter of policy, the County seeks for tax sharing agreements to be consistent with Siskiyou County Resolution 24-104.

NOW, THEREFORE the County and City agree as follows:

1. Definitions.

- A. The Annexation Area shall mean the 3.2 acres of property within the County (APN 014-430-120) proposed to be annexed to the City as further described in Exhibit A, attached hereto and incorporated herein by reference.
- B. Base Property Tax Revenues shall mean the amount of property tax based upon the ad valorem property tax imposed pursuant to Article 13A, Section 1 of the State Constitution, for the fiscal year immediately preceding the year in which the annexation is proposed that accrues to the County General Fund and South Yreka

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Fire Protection District. For the FY 2023-2024 that amount is approximately \$40.26 for the 3.2 acres of APN 014-430-120.

- C. Incremental Property Tax Revenues shall mean the amount of property tax revenues accruing to each Affected Agency attributable to the annual tax increment increase in assessed valuation in each fiscal year after the annexation is completed.
 - D. Affected Agency shall mean each local agency whose service area or service responsibility would be altered by the jurisdiction change. The Affected Agencies within the Annexation Area are the City, South Yreka Fire Protection District, and the County.
2. Affected Property Tax Funds.

The County Auditor has notified the City and County pursuant to Revenue and Taxation Code section 99, subdivision (b)(3), that, of the 1% ad valorem property tax imposed pursuant to Article 13A, section 1 of the State Constitution, the property tax revenue which is subject to negotiated exchange consists of 1) the Siskiyou County General Fund portion, which is approximately \$14.38, and 2) the South Yreka Fire Protection District portion, which is approximately \$2.29.
 3. Affected Tax Rate Area.

The Affected Tax Rate Area which includes all Base Property Tax Revenue or Incremental Property Tax Revenue available for allocation and distribution, which are the Siskiyou County General Fund and South Yreka Fire Protection District portions, is: 123-004 and 007-000.
 4. Entities Not Subject to Allocation or Distribution Under this Agreement.

There are other agencies who share in the affected tax rate area, 007-000, but are not subject to this tax sharing agreement. These entities are identified in Exhibit B of this agreement.
 5. Allocation of Future Property Taxes.

Based on mutual agreement of the parties, on or after the annexation date:

 - A. County shall retain 100% of the General Fund portion of the Base Property Tax Revenues.
 - B. The City shall be allocated the South Yreka Fire Protection District's portion of the Base Property Tax Revenue.
 - C. The Incremental Property Tax Revenues available for allocation (the Siskiyou County General Fund) shall be allocated 50% to the City and 50% to the County.
 6. Exchange by County Auditor.

County and City agree that all of the exchanges of property tax revenue required by this Agreement shall be made by the County Auditor.

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7. Commencement of Exchange.

The allocations of Base Property Tax Revenue and Incremental Property Tax Revenue set forth in Section 4 shall commence July 1, following the effective date of the annexation.

8. Modification.

This Agreement may be modified or amended only by a writing duly authorized and executed by both the City and County.

IN WITNESS WHEREOF, County and City have authorized the execution of this Agreement and authorized the Mayor and the Board Chair, respectively, to sign.

COUNTY OF SISKIYOU

Michael N. Kobseff, Chair
Board of Supervisors

ATTEST:

Laura Bynum, County Clerk

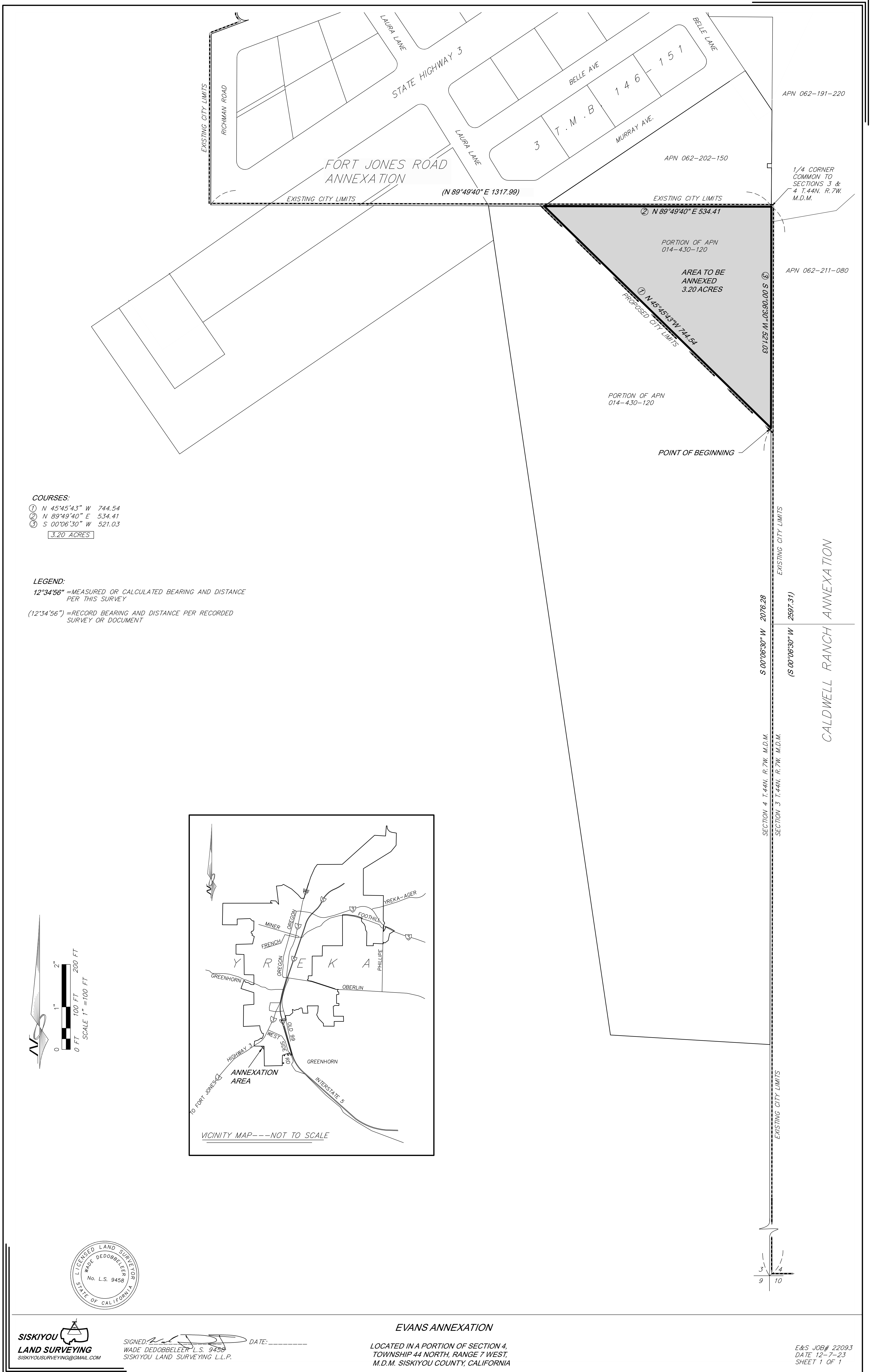
CITY OF YREKA

Corey Middleton, Mayor

ATTEST:

Shella Rhetta Hogan, City Clerk

Exhibit A



COURSES:
 ① N 45°45'43" W 744.54
 ② N 89°49'40" E 534.41
 ③ S 00°06'30" W 521.03
 3.20 ACRES

LEGEND:
 12°34'56" = MEASURED OR CALCULATED BEARING AND DISTANCE PER THIS SURVEY
 (12°34'56") = RECORD BEARING AND DISTANCE PER RECORDED SURVEY OR DOCUMENT

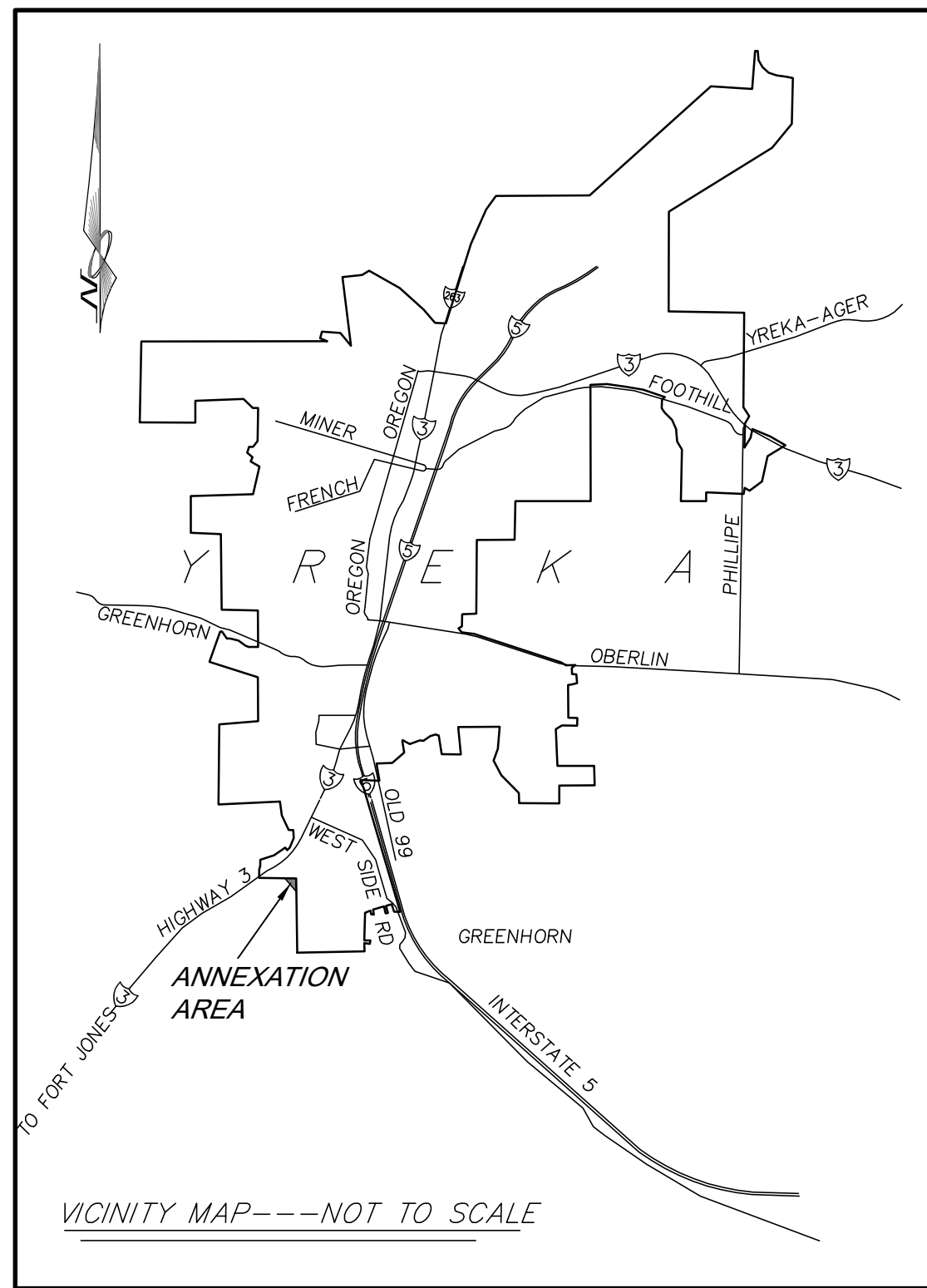
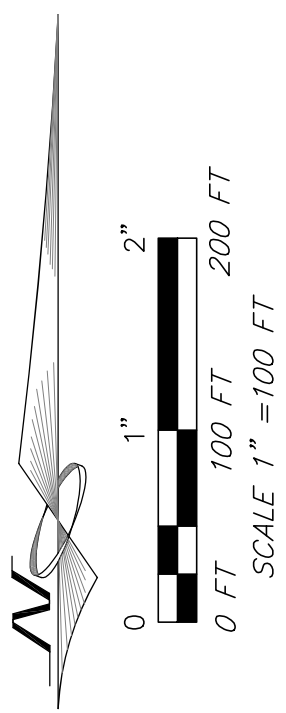


Exhibit B – Entities Not Subject to Allocation or Distribution Under the Agreement

Below are tables identifying the entities and their share of the affected tax rate areas 123-004 and 007-000. Entities highlighted in yellow are not subject to allocation or distribution under the agreement.

Entity	Share of TRA 123-004
County General	0.357101
Aviation	0.002493
Air Pollution	0.001309
Yreka Union: Elem. School	0.186086
Yreka Union: High School	0.163003
Siskiyou JT(45,47): Comm. College	0.083913
Shasta Valley: Cemetery	0.007408
Siskiyou Co Water Conserv Flood Control	0.005601
South Yreka: Fire Protection	0.056967
School Service	0.018448
Admin Spec Bldg	-
School Equalization	-
Physically Handicap	0.002552
Physically Handicap Tuition	0.000851
Modoc Special Education	0.001134
Yreka Areawide	0.113134

Entity	Share of TRA 007-000
County General	0.299275
Aviation	0.002090
Air Pollution	0.001097
Yreka: City	0.209676
Yreka Union: Elem. School	0.155953
Yreka Union: High School	0.136608
Siskiyou JT(45,47): Comm. College	0.070323
Shasta Valley: Cemetery	0.006208
Siskiyou Co Water Conserv Flood Control	0.004693
School Service	0.015461
Admin Spec Bldg	-
School Equalization	-
Physically Handicap	0.002139
Physically Handicap Tuition	0.000712
Modoc Special Education	0.000950
Yreka Areawide	0.094815