

**AGREEMENT FOR PROPERTY TAX TRANSFER FROM CONTRA COSTA COUNTY TO EAST CONTRA COSTA FIRE PROTECTION DISTRICT**

This Agreement For Property Tax Transfer, entered into this \_\_\_ day of \_\_\_\_\_, 2016 (this “Agreement”) is by and between Contra Costa County, a political subdivision of the State of California (“County”), and East Contra Costa Fire Protection District, a fire protection district existing under the laws of the State of California (“District”);

**WITNESSETH:**

WHEREAS, on January 15, 2016, the County submitted a detachment application to the Contra Costa County Local Agency Formation Commission (“LAFCO”) for detachment of the BBID Detached Tax Rate Areas (as defined in Section 1 below) from the Byron-Bethany Irrigation District (“BBID”);.

WHEREAS, as a condition to LAFCO considering the detachment of the BBID Detached Tax Rate Areas from BBID, the County adopted Resolution No. 2016/332 on June 14, 2016, determining the property tax exchange for the BBID Detached Tax Rate Areas;

WHEREAS, County Resolution No. 2016/332 provides that BBID’s share of the base tax and the annual tax increment in the BBID Detached Tax Rate Areas that would otherwise be allocated to BBID shall be allocated to the County;

WHEREAS, the District provides services that are necessary to meet the safety needs of the population of East Contra Costa County;

WHEREAS, the County recognizes that a lack of sufficient funding has required the District to reduce fire and medical response services in its jurisdiction despite continuously increasing call volumes. The District’s two attempts at voter-approved parcel taxes were not approved by the voters;

WHEREAS, the property tax transfer effected by this Agreement will provide the District with additional revenue to use for fire suppression and investigation services for East County residents and businesses;

WHEREAS, on June 14, 2016, the County board of supervisors directed staff to prepare a property tax exchange agreement pursuant to Revenue and Taxation Code section 99.02 to transfer, each year, the reallocated tax revenue from the detached area from the County to District for so long as such taxes continue to be allocated to the County, provided, that if an application to initiate dissolution of the District is filed with and approved by the LAFCO, the property tax transfer will automatically terminate;

WHEREAS, on October     , 2016, LAFCO filed a certificate of completion with the County Clerk-Recorder office making the detachment of the BBID Detached Tax Rate Areas final;

WHEREAS, Section 99.02 of the California Revenue and Taxation Code (the Revenue and Taxation Authority being referred to herein as “R&T”) authorizes District and County to modify the allocation of property tax revenues between them, provided the modification does not violate the conditions set forth in R&T Section 99.02 and does not affect the tax revenue allocation for any other public entity;

WHEREAS, District and County now wish to enter into this Agreement in order to further facilitate the preservation of District as a fire services agency for the communities they both serve;

WHEREAS, in order to accommodate this Agreement, County has held a properly noticed public hearing in accordance with R&T Section 99.02 and determined, based upon that hearing, that: (1) revenues are available for this purpose; (2) the contemplated transfer will not result in any increase in the ratio between the amount of revenues of the transferring agency that are generated by regulatory licenses, use charges, user fees, or assessments and used to finance services provided by the transferring agency; (3) the contemplated transfer will not impair the ability of the transferring agency to provide existing services; and (4) the contemplated transfer will not result in a reduction of property tax revenues to school entities; and

WHEREAS, to further accommodate this Agreement, County has adopted a resolution authorizing this Agreement and requesting concurrence by the District in the foregoing findings pursuant to R&T Section 99.02;

NOW, THEREFORE, in consideration of the foregoing premises and the following terms and conditions, the parties hereto agree as follows:

1. Definitions. In addition to those words and phrases defined elsewhere in this Agreement, the following words and phrases in this Agreement shall have meanings set forth below:

A. “BBID Detached Area Base Revenues” means, for each BBID Detached Tax Rate Area, the base property tax revenue for the respective BBID Detached Tax Rate Area prior to detachment from BBID.

B. “BBID Detached Tax Rate Areas” means Contra Costa County tax rate areas 60043, 60047, 60048, 60050, 60055, and 60056.

C. “County Base Revenues from BBID Detached Tax Rate Areas” means, for each BBID Detached Tax Rate Area, the base property tax revenue allocated to the County for the respective BBID Detached Tax Rate Area prior to detachment from BBID.

D. “County Adjusted Base Revenues” means, for each BBID Detached Tax Rate Area, the sum of the BBID Detached Area Base Revenues *plus* the County Base Revenues from the BBID Detached Tax Rate Areas.

E. “County Future Base Revenues” means the annual County’s base revenue as calculated for each of the BBID Detached Tax Rate Areas pursuant to the Revenue and Taxation Code.

F. “District Transfer Amount” means, for each BBID Detached Tax Rate Areas, the amount equal to: the BBID Detached Area Base Revenues *divided* by the County Adjusted Base Revenues *multiplied* by the County Future Base Revenues.

G. “Effective Date” means [**INSERT DATE OF LAST BOARD APPROVAL**], 2016.

2. Continuing Property Tax Allocation.

A. The County Auditor shall allocate and transfer to District pursuant to this Agreement the entirety of the sum of the District Transfer Amount that would otherwise be County property tax revenue, commencing July 1, 2017, and continuing from year to year thereafter, as authorized by R&T Section 99.02, until County notifies the County Auditor that the transfers are terminated pursuant to Section 2(B) below.

B. The provisions of this Agreement and the allocations of County Ad Valorem Property Taxes to District shall continue in effect until an application to initiate dissolution of the District is filed and approved by LAFCO, at which point the County will notify the County Auditor in writing that this Agreement is terminated, and the transfers of County Ad Valorem Property Taxes shall cease at the end of the fiscal year in which LAFCO approves the dissolution.

3. Joint Review. District and County may jointly review County property tax records from time to time or as requested by District to verify accurate distribution under this Agreement.

4. Governing Law and Attorneys’ Fees. This Agreement shall be construed and enforced in accordance with the laws of the State of California. Should any legal action be brought by either party because of any default under this Agreement or to enforce any provision of this Agreement, or to obtain a declaration of rights hereunder, the prevailing party shall be entitled to reasonable attorneys’ fees, court costs and such other costs as may be fixed by the court.

5. Notices. Any notice or other communication required or permitted hereunder shall be sufficient if in writing, and given either personally, by facsimile (with original forwarded by regular U.S. Mail), regular U.S. mail or by Federal Express or other similar courier promising overnight delivery. If personally delivered, a notice or communication shall be deemed to have been given and received when delivered to the party to whom it is addressed. If given by

facsimile transmission, a notice or communication shall be deemed to have been given and received upon receipt of the entire document by the receiving party's facsimile machine, and verified by electronic transmission by the sending facsimile machine. Notices that are mailed by regular U.S. mail shall be deemed delivered two business days after deposited in the mail and notices given by Federal Express or other overnight courier service shall be deemed delivered the day following the date of delivery to Federal Express or such other overnight courier. Such notices or communications shall be given to the parties and each of their designees at their addresses set forth below:

If to District: President, Board of Directors and Fire Chief  
East Contra Costa Fire Protection District  
134 Oak Street  
Brentwood, CA 94513  
Fax: (925) 634-1423

If to County: David Twa, County Administrator  
Contra Costa County  
651 Pine Street, 11th Floor  
Martinez, CA 94553  
FAX#: (925) 335-1098

Any party hereto may at any time, by giving ten (10) days written notice to the other parties, designate any other address or facsimile number in substitution of the address or facsimile number to which such notice or communication shall be given.

6. Severability. If any provision of this Agreement is held invalid, void, or unenforceable but the remainder of this Agreement can be enforced without failure of material consideration to any party, then this Agreement shall not be affected and it shall remain in full force and effect, unless amended by mutual consent of the parties.

7. Further Assurances. Each party shall execute and deliver to the other party or parties all such other further instruments and documents and take all such further actions as may be reasonably necessary to carry out this Agreement and to provide and secure to the other party or parties the full and complete enjoyment of its rights and privileges hereunder.

8. Construction. All parties have been represented by counsel in the preparation of this Agreement and no presumption or rule that ambiguity shall be construed against a drafting party shall apply to the interpretation or enforcement hereof. Captions on sections and subsections are provided for convenience only and shall not be deemed to limit, amend, or affect the meaning of the provision to which they pertain.

9. Other Miscellaneous Terms. The singular includes the plural; the masculine gender includes the feminine. Shall" is mandatory; "may" is permissive.

10. Time. Time is of the essence in the performance of each and every provision hereof.



IN WITNESS WHEREOF, the parties to this Agreement have executed it as of the Effective Date.

**County of Contra Costa**

By: \_\_\_\_\_  
David Twa, County Administrator  
Contra Costa County

**East Contra Costa Fire Protection District**

By: \_\_\_\_\_  
Joel Bryant,  
Chair, Board of Directors