

# EXHIBIT D

**MINUTE ORDER  
OF  
IMPERIAL COUNTY  
BOARD OF SUPERVISORS**

<b>Date:</b> January 24, 2017	<b>Book:</b> 425	<b>Page:</b> 161	<b>File #:</b> 300.21	<b>M.O.#:</b> 41
<b>Department:</b> EXECUTIVE OFFICE			<b>2nd Page:</b>	

THE BOARD OF SUPERVISORS OF THE COUNTY OF IMPERIAL, STATE OF CALIFORNIA, on a motion by Supervisor : CASTILLO , second by Supervisor : RENISON and approved by the following roll call vote;

**AYES :** RENISON, PLANCARTE, M. KELLEY, R. KELLEY, CASTILLO

**NAYES :** NONE

**ABSTAINED :** NONE

**EXCUSED OR ABSENT :** NONE

Approved Tax and Fiscal Impact Agreement for Annexation IM 3-15 with the City of Imperial.

<b>Topic:</b> Tax & Fiscal Impact Agreement	<b>X-Topic:</b> City of Imperial																								
<p><b>CC:</b></p> <table style="width: 100%; border: none;"> <tr> <td><input checked="" type="checkbox"/> File</td> <td><input type="checkbox"/> Behavioral Health</td> <td><input type="checkbox"/> District Attorney</td> <td><input type="checkbox"/> Info/Tech</td> <td><input type="checkbox"/> Public Health</td> <td><input type="checkbox"/> Other...</td> </tr> <tr> <td><input type="checkbox"/> Ag. Comm</td> <td><input checked="" type="checkbox"/> CEO</td> <td><input type="checkbox"/> Facilities Manag.</td> <td><input type="checkbox"/> OET</td> <td><input type="checkbox"/> Public Works</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Assessor</td> <td><input type="checkbox"/> County Clerk</td> <td><input type="checkbox"/> Fire/OES</td> <td><input type="checkbox"/> Planning</td> <td><input type="checkbox"/> Sheriff-Coroner</td> <td></td> </tr> <tr> <td><input checked="" type="checkbox"/> Auditor</td> <td><input type="checkbox"/> County Counsel</td> <td><input type="checkbox"/> HR - Risk</td> <td><input type="checkbox"/> Probation</td> <td><input type="checkbox"/> Social Services</td> <td></td> </tr> </table>		<input checked="" type="checkbox"/> File	<input type="checkbox"/> Behavioral Health	<input type="checkbox"/> District Attorney	<input type="checkbox"/> Info/Tech	<input type="checkbox"/> Public Health	<input type="checkbox"/> Other...	<input type="checkbox"/> Ag. Comm	<input checked="" type="checkbox"/> CEO	<input type="checkbox"/> Facilities Manag.	<input type="checkbox"/> OET	<input type="checkbox"/> Public Works		<input type="checkbox"/> Assessor	<input type="checkbox"/> County Clerk	<input type="checkbox"/> Fire/OES	<input type="checkbox"/> Planning	<input type="checkbox"/> Sheriff-Coroner		<input checked="" type="checkbox"/> Auditor	<input type="checkbox"/> County Counsel	<input type="checkbox"/> HR - Risk	<input type="checkbox"/> Probation	<input type="checkbox"/> Social Services	
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**TAX AND FISCAL IMPACT AGREEMENT FOR ANNEXATION IM 3-15**

1  
2 THIS AGREEMENT is made and entered into by and between the COUNTY OF  
3 IMPERIAL, a political subdivision of the State of California, hereinafter referred to as "County",  
4 and the CITY OF IMPERIAL, a municipal corporation, hereinafter referred to as "City."

5 WHEREAS, Section 99 of the Revenue and Taxation Code provides that in case of a  
6 jurisdictional change, the governmental bodies of all agencies whose service areas or  
7 responsibilities would be altered by such jurisdictional change must agree, by resolution, to accept  
8 the negotiated exchange of property tax revenues; and  
9

10 WHEREAS, California Government Code Section 56668 requires certain factors be  
11 considered in review of any proposal before the Local Agency Formation Commission,  
12 hereinafter referred to as "LAFCO," (including the "effect of the proposed action and of  
13 alternative actions on adjacent areas, on mutual social and economic interests and on the local  
14 government structure of the county"); and

15 WHEREAS, California Government Code Section 56069 defines "Proposal" as a request  
16 or statement of intention may be by petition or by resolution of application of a legislative body  
17 proposing proceedings for the change of organization or reorganization described in the request or  
18 statement of intention; and  
19

20 WHEREAS, California Government Code Section 56021 defines "Change of  
21 organization" to mean any of the following:(a) a city incorporation;(b) a district formation; (c)  
22 an annexation to, or detachment from, a city or district;(d) a disincorporation of a city; (e) a  
23 district dissolution; (f) a consolidation of cities or special districts;(g) a merger or establishment  
24 of a subsidiary district, and;

25 WHEREAS, LAFCO requires a written agreement between the affected governmental  
26 bodies prior to the approval of any annexation to offset any negative fiscal impacts, and;  
27  
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1                   WHEREAS, **ANNEXATION IM 3-15** involves the annexation of approximately  
2 27.01 acres of land to the City of Imperial (Assessor's Parcel Numbers 044-200-077, 044-200-  
3 079 and 044-200-081) for the purpose of Rail-Served Industrial ("I-2").  
4 Assessor's Parcel Number 044-200-079 will be developed with twenty (20) truck parking stalls,  
5 open-air storage areas for cargo containers, an office trailer, and retention basin; and

6                   WHEREAS, In order to offset the "negative fiscal impacts" to County and City for  
7 **ANNEXATION IM 3-15**, County and City are entering into this Agreement, and;

8                   WHEREAS, Through this Agreement, City agrees to pay County a designated amount  
9 to offset the negative impacts created through an annexation of territory to the City, and;

10                   WHEREAS, The parties have negotiated this Tax and Fiscal Agreement for the exchange  
11 of property tax revenues and to offset negative impacts from **ANNEXATION IM 3-15** to the  
12 City.  
13

14                   WHEREAS, The current assessed value for the territory within **ANNEXATION**  
15 **IM 3-15**, including improvements, is \$726,213.00.  
16

17                   NOW, THEREFORE, the County and City agree as follows:

18                   1.       DEFINITIONS.

19                   a.       "Base year revenues" means property tax revenues accruing to each agency  
20 in the current fiscal year, being defined as the fiscal year in which the annexation is accepted by  
21 the State Board of Equalization.  
22

23                   b.       "Tax increment" means that the amount of property tax revenues in excess  
24 of base year revenues accruing to each agency (by Tax Rate Area) and resulting from the increase  
25 in assessed valuation from one year to the next.

26                   c.       "TRA" means tax rate area.

27                   d.       County and City are sometimes hereinafter collectively referred to as  
28

1 "Parties".

2 2. APPORTIONMENT.

3 a. When a special district, including County Fire and Library Districts, gives  
4 up its service responsibility in a territory, upon annexation of such territory to a City, the affected  
5 special districts shall transfer to the City all of its base year revenues and tax increment attributable  
6 to the annexed territory, effective in the fiscal year following the calendar year in which  
7 annexation is completed.

8 b. For jurisdictional changes where the proposed area is agreed to by County  
9 and City to be substantially developed, no transfer of the base year revenues is required. The  
10 aggregate amount of the tax increment that would accrue to County, as a result of the aforesaid  
11 base year revenue apportionment, shall be distributed in the amount of fifty percent (50%) of the  
12 increment to the City and fifty percent (50%) of the increment to the County.

13 c. For all other jurisdictional changes, the County shall transfer to the City  
14 forty percent (40%) of the base year revenues. The aggregate amount of the tax increment that  
15 would accrue to County and City, as a result of the aforesaid base year revenue apportionment,  
16 shall be distributed in the amount of fifty percent (50%) of the increment to the City and fifty  
17 percent (50%) of the increment to the County.

18 3. APPLICATION.

19 The provisions of this Agreement shall apply to the apportionment of all secured  
20 and unsecured property tax revenues, due to **ANNEXATION IM 3-15** to the City.

21 4. FISCAL IMPACT PAYMENT

22 a. To offset the negative impact to County of **ANNEXATION IM 3-15**,  
23 City, as compensation for the discounted negative impacts for the first twenty (20) years of project  
24 development, agrees to pay County certain impact fees pursuant to the *Schedule of Fiscal Impact*  
25  
26  
27  
28

1 *Fees Per Unit (residential) and per Square Foot (nonresidential) – Countywide* attached hereto as  
2 **EXHIBIT “A”**. Said fee schedule is pursuant to the Impact Fee Study prepared for the County of  
3 Imperial, California, by Tischler Bise dated August 17<sup>th</sup>, 2006. A copy of said Impact Fee Study  
4 is available upon request.

5 b. Said payment of impact fees shall be made to County by City in a lump  
6 sum upon annexation or recordation of the Final Map, or issuance of permits, as applicable.

7 c. As an alternative said payments shall be made to County based upon the  
8 number of building permits issued by City on a quarterly basis including October 1, January 1,  
9 April 1 and July 1 beginning the first quarter following the issuance of any building permit related  
10 to **ANNEXATION IM 3-15**.

11 d. All payments shall be sent to County at the following address:

12  
13 County of Imperial  
14 County Executive Office  
15 Attn: County Executive Office  
16 940 Main Street, Suite 208  
17 El Centro, CA 92243

18 5. TERM OF AGREEMENT.

19 This Agreement shall be in effect from the date of execution of this Agreement by  
20 County and City. The terms and conditions for **ANNEXATION IM 3-15** shall remain in full  
21 force and effect until each term or condition is completely and fully satisfied.

22 6. ADVERSE PROPERTY TAX IMPACTS.

23 Prior to the City including any portion of **ANNEXATION IM 3-15** in the next  
24 twenty (20) years covered by this Agreement into any program which adversely fiscally impacts  
25 County, City and County shall renegotiate and enter into a new and separate agreement which  
26 addresses said negative fiscal impacts.  
27  
28

1           7.     INTENT OF AGREEMENT.

2           a.     By entering into this Agreement, the parties mutually assume the  
3 continuation of a statutory scheme for the distribution of tax revenues that is compatible with the  
4 provisions contained herein, and such assumption is a basic intent of this Agreement.

5           b.     If any term or provision of this Agreement is held by a court of competent  
6 jurisdiction to be void, invalid or otherwise unenforceable, the remaining terms and provisions  
7 shall continue in full force and effect.

8           c.     This Agreement is made and entered into in Imperial County, California.  
9 This agreement shall be construed and enforced in accordance with the laws of the State of  
10 California, except that the parties agree that any action brought by either party regarding this  
11 Agreement shall be brought in a court of competent jurisdiction in Imperial County, or if  
12 appropriate, in the Federal District Court serving Imperial County.

13           d.     The parties hereto agree to act in good faith and deal fairly with the other  
14 party in the performance of this Agreement.

15           e.     Notices required hereunder shall be in writing and may be given either  
16 personally or by registered or certified mail, postage prepaid, return receipt requested. If given  
17 by registered or certified mail, such notice shall be addressed as indicated below and shall be  
18 deemed given and received upon the earlier of actual receipt by the party to whom the notice  
19 was sent or return of the requested receipt to the party giving notice. Notice personally given  
20 shall be deemed given when delivered to the party to whom the notice is addressed. Any party  
21 may upon ten (10) days written notice to the other party, change the address where notices are  
22 to be sent.  
23  
24  
25

26                           NOTICES TO COUNTY

27                           County of Imperial  
28                           County Executive Office

1 Attention: County Executive Officer  
2 940 Main Street, Suite #208  
3 El Centro, CA 92243

4 **WITH COPIES TO**

5 Imperial County LAFCO  
6 Attention: Executive Officer  
7 1122 State Street, Suite D  
8 El Centro, CA 92243

9 **NOTICES TO CITY OF IMPERIAL**

10 City of Imperial  
11 Attention: City Manager  
12 420 South Imperial Avenue  
13 Imperial California 92251

14 8. **EXECUTION OF AGREEMENT.**

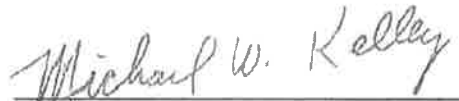
15 a. The PARTIES herein agree that this Agreement may be executed in  
16 counterparts.


17 b. The PARTIES herein each warrant and represent that they are authorized to  
18 execute this Agreement and bind City or County to the terms and conditions of this Agreement.

19 IN WITNESS WHEREOF, the parties have executed this Agreement in

20 El Centro, California, on January 24th, 2017.

21 COUNTY OF IMPERIAL

22   
23 MICHAEL W. KELLEY, Chairman  
24 Board of Supervisors

25 ATTEST:   
26 BLANCA ACOSTA, Clerk of the  
27 Board of the County of Imperial

28 APPROVED AS TO FORM:





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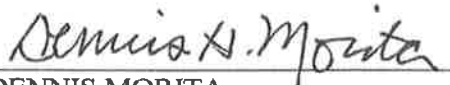
KATHERINE TURNER  
County Counsel

CITY OF IMPERIAL

  
JAMES TUCKER  
Mayor

ATTEST:   
DEBRA JACKSON  
Clerk of the City of Imperial

APPROVED AS TO FORM:

  
DENNIS MORITA  
City Attorney

# Exhibit "A"

COUNTY OF IMPERIAL  
FISCAL IMPACT FEES  
EFFECTIVE JANUARY 20, 2007

Exhibit A

Units	Total Impact Fee Per Unit	Per Fiscal Impact Studies	Surcharge for Developable Land	Total
<b>Residential</b>		Per Housing Unit		
Single Family	\$2,420	\$225	\$72.60	\$2,718
Multi Family	\$1,895	\$276	\$56.85	\$2,228
Mobile Home	\$1,624		\$48.72	\$1,673
	Countywide Impact Fee Per 1,000 Square Foot			
<b>Non-Residential</b>				
Com/Shop Ctr (50,000 or less sq ft)	\$671.00	\$80.00	\$20.00	\$771
Com/Shop Ctr (50,001-100,000 sq ft)	\$587.00	\$80.00	\$17.00	\$684
Com/Shop Ctr (100,001-200,000 sq ft)	\$513.00	\$80.00	\$15.00	\$608
Com/Shop Ctr over (200,000 sq ft)	\$449.00	\$80.00	\$13.00	\$542
Office/Inst (25,000 or less sq ft)	\$549.00	\$80.00	\$16.00	\$645
Office/Inst (25,000-50,000 sq ft)	\$502.00	\$80.00	\$15.00	\$597
Office/Inst (50,001-100,000 sq ft)	\$461.00	\$80.00	\$13.00	\$554
Medical-Dental Office	\$700.00	\$80.00	\$21.00	\$801
Hospital	\$470.00	\$80.00	\$14.00	\$564
Business Park	\$407.00	\$80.00	\$12.00	\$499
Light Industrial	\$276.00	\$80.00	\$8.00	\$364
Manufacturing	\$199.00	\$80.00	\$5.00	\$284
Warehousing	\$162.00	\$80.00	\$4.00	\$246
Elementary School	\$216.00	\$80.00	\$6.00	\$302
<b>Other Non-Residential</b>				
Lodging (per room)	\$91.00		\$2.00	\$93
Day Care (per student)	\$55.00		\$2.00	\$57
Nursing Home (per bed)	\$54.00		\$1.00	\$55

Prepared 11/14/2006

Based on TischlerBise Fiscal Impact Fee Study dated August 17, 2006 &  
Proposed Fiscal Impact Fee Ordinance