

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Planning and Community Development Af

BOARD AGENDA # *D-1

Urgent

Routine

AGENDA DATE August 21, 2012

CEO Concurs with Recommendation YES NO

4/5 Vote Required YES NO

(Information Attached)

SUBJECT:

Approval to Continue Implementation of Shorter Williamson Act Contracts in Return for a Reduction in Landowner's Property Tax Relief in Calendar Year 2013 and Related Actions Under AB 1265

STAFF RECOMMENDATIONS:

1. Find the County received less than one-half of the foregone property tax revenue pursuant to Government Code Section 161.42(d)(1) for the 2012-2013 Fiscal Year.
2. Approve the implementation of AB 1265 (Formerly SB 863) to maintain Williamson Act Contracts including a reduction of property tax benefits by ten percent and a related reduction of the term of the contracts to nine years, to be effective for calendar year 2013.

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FISCAL IMPACT:

Per the Stanislaus County Assessor's Office, the continued implementation of AB 1265 is estimated to increase the County's General Fund for Fiscal Year 2013-2014 by up to \$1.2 million. Costs associated with the implementation will be funded out of existing budgeted appropriations for the respective County Departments responsible for implementation. The current Fiscal Year's revenue generated by AB 1265 will be evaluated as part of the 2012-2013 Mid-Year Financial Report.

BOARD ACTION AS FOLLOWS:

No. 2012-426

On motion of Supervisor Withdraw, Seconded by Supervisor Chiesa
and approved by the following vote,

Ayes: Supervisors: Chiesa, Withdraw, Monteith, De Martini, and Chairman O'Brien

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

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STAFF RECOMMENDATIONS: (Continued)

3. Direct the Assessor, Auditor-Controller, Treasurer-Tax Collector, and Director of Planning and Community Development to take all necessary steps to implement AB 1265 for the 2013-2014 Fiscal Year including, but not limited to, making the appropriate modifications to all affected properties assessed values, modifying tax bills to reflect the assessment changes and supplemental fees associated with the reduced tax benefit, and recording any necessary notices.

DISCUSSION:

AB 1265, enacted into law on July 15, 2011, provides an opportunity for counties to offset a portion of the loss of Williamson Act Subvention funds by establishing a local self-help subvention program. AB 1265 allows counties to voluntarily implement new contracts that are ten percent shorter in return for a ten percent reduction in the landowner's property tax relief. The increased revenue resulting from the reduction in the landowner's property tax relief is transferred directly in the County's General Fund. If a landowner does not want to participate in a shorter contract with its reduced level of benefit, the landowner has the option to non-renew the contract. Counties are eligible to participate if they find that the County received less than one-half of the foregone property tax revenue (Williamson Act Subvention funds) pursuant to Government Code Section 16142.1(d)(1) for the previous fiscal year. AB 1265 is a temporary solution remaining in effect only until January 1, 2016.

AB 1265, approved as an urgency status, provides essentially the same opportunities as SB 863 which was enacted in 2010 and eventually repealed by SB 80 in March of 2011. The Board of Supervisors took the necessary actions to implement SB 863 on October 26, 2010, and November 9, 2010. On August 2, 2011, the Board of Supervisors ratified the actions taken in 2010 to allow the continued implementation of SB 863 as allowed under AB 1265.

For Fiscal Year 2012-2013, the foregone tax revenue is approximately \$1,753,752. Stanislaus County will receive zero in Williamson Act Subvention funding from the State for Fiscal Year 2012-2013.

Approval of this item will only allow the County to continue to move forward with the implementation of AB 1265 for Fiscal Year 2013-2014. Separate action(s) to implement AB 1265 in future years will be brought to the Board of Supervisors for consideration at a later date.

POLICY ISSUES:

The continued implementation of AB 1265 furthers the Board's priorities of Efficient Delivery of Public Services, A Strong Agricultural Economy/Heritage, and A Strong Local Economy by allowing Stanislaus County to continue offering the Williamson Act program with some local recovery of lost State Williamson Act Subvention funds in Fiscal Year 2013-2014.

STAFFING IMPACTS:

There are no staffing impacts associated with this request. Existing staff from the Auditor-Controller, Assessor, Planning and Community Development, and Treasurer-Tax Collector will be involved in the continued implementation of the program.

CONTACT PERSONS:

Angela Freitas, Interim Planning and Community Development Director, (209) 525-6330
Dave Cogdill, County Assessor, (209) 525-6461
Gordon B. Ford, County Treasurer-Tax Collector, (209) 525-6388
Lauren Klein, County Auditor-Controller, (209) 525-6398