

RESOLUTION NO. 4832-2024

RESOLUTION OF THE FORT BRAGG CITY COUNCIL APPROVING THE MENDOCINO COUNTY TAX SHARING AGREEMENT AMONG MENDOCINO COUNTY AND THE CITIES OF FORT BRAGG, WILLITS, UKIAH, AND POINT ARENA.

WHEREAS, Mendocino County (“County”) collects Real Property Tax Revenue within its jurisdiction; and

WHEREAS, the California Department of Tax and Fee Administration, formerly part of the State Board of Equalization, administers the Statewide general tax on the retail sale or use of merchandise or goods within the State (the “Bradley-Burns Sales Tax”); and

WHEREAS, the California Department of Tax and Fee Administration collects the 1% Bradley-Burns Sales Tax on behalf of cities and counties in the State and distributes the revenue to those local governments; and

WHEREAS, Each Party levies a transient occupancy tax on those territories within its Jurisdiction; provided, however, that the County does not levy a separate transient occupancy tax in areas within a City’s jurisdiction; and

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (The “CKH Act”) governs changes in organization which changes in organization may need to be approved by the Mendocino LAFCO, and other local agencies; and

WHEREAS, the City of Fort Bragg together with the cities of Ukiah, Willits, and Point Arena (collectively, “the Cities”) anticipate changes in organization within the County, such as Annexations to the Cities, and desire to plan for the orderly and financially viable transition of Public services; and

WHEREAS, the County and the Cities intend the attached Agreement to provide an equitable approach to distributing certain identified tax revenues in anticipation of changes in organization; and

WHEREAS, recognizing that the residents of the Cities are also residents of the County, the County and the Cities acknowledge their shared responsibility to provide adequate services to their shared residents and recognize the importance of the County’s and the Cities’ services and that those services complement each other for the benefit of their residents; and

WHEREAS, the Parties recognize the importance of maintaining adequate service levels throughout the County and within the Cities to provide for the health, safety, and welfare of the residents of the County and the Cities. The Parties intend, given the mutual economic and other benefits that flow from annexations to the Cities, to cooperate as provided for in the attached Agreement to address the respective City’s and the County’s fiscal considerations in providing such services and their respective present and future economic and planning needs; and

WHEREAS, for certain changes of organizations, such as annexations, Revenue and Taxation (“R&T”) Code Section 99 requires an agreement of the City and the County to a property tax revenue exchange and to provide a resolution of approval of the same by each legislative body to Mendocino LAFCO prior to consideration of the change of organization; and

WHEREAS, the County and the Cities have negotiated a master property tax exchange agreement, pursuant to Revenue and Taxation Code section 99(d), that is intended to satisfy the requirements of Revenue and Taxation Code section 99 for future changes of organization as specified in the Agreement; and

WHEREAS, while not required by Revenue and Taxation Code section 99, the Parties acknowledge that this Agreement also provides for the exchange of Bradley-Burns Sales Tax and transient occupancy tax which the Parties agree to accept in accordance with the Agreement; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Fort Bragg as follows:

Section 1. The Council hereby approves the Mendocino County Master Tax Sharing Agreement (“the Agreement”), a true and correct, but unsigned, copy of which is attached hereto as Attachment 1.

Section 2. The Council authorizes the Mayor to sign the Agreement on behalf of the City of Fort Bragg.

The above and foregoing Resolution was introduced by Councilmember Mayor Norvell, seconded by Councilmember Albin-Smith, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg held on the 22nd day of July 2024, by the following vote:

AYES: Councilmembers Albin-Smith, Peters, Rafanan, Vice Mayor Godeke, and Mayor Norvell.
NOES: None.
ABSENT: None.
ABSTAIN: None.
RECUSED: None.

BERNIE NORVELL
Mayor

ATTEST:

Diana Sanchez
City Clerk