

RESOLUTION NO. 2009-205

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
AUTHORIZING THE CITY MANAGER TO EXECUTE A REALLOCATION
AGREEMENT, AND ANY OTHER NECESSARY INSTRUMENTS, WITH THE
COUNTY OF SACRAMENTO TO REALLOCATE \$579,601 OF THE CITY OF ELK
GROVE'S SECURED PROPERTY TAX REVENUE FOR THE 2009-10 FISCAL YEAR
IN ORDER TO ASSIST THE COUNTY'S EFFORTS TO SECURITIZE REPAYMENT
OF A LOAN OF PROPERTY TAX REVENUE TO THE STATE OF CALIFORNIA
PURSUANT TO PROPOSITION 1A OF 2004**

WHEREAS, pursuant to Section 25.5 of Article XIII of the California Constitution and Chapter 14X of the California Statutes of 2009 (Assembly Bill 15), as amended (the "Act"), certain local agencies within the State of California (the "State") are entitled to receive payments to be made by the State on or before June 30, 2013, as reimbursement for reductions in the percentage of the total amount of *ad valorem* property tax revenues allocated to such local agencies during the State's 2009-10 fiscal year which reductions have been authorized pursuant to Sections 100.05 and 100.06 of the California Revenue & Taxation Code; and

WHEREAS, the City of Elk Grove, a local agency within the meaning of Section 6585(f) of the California Government Code (hereinafter "City"), is generally entitled to sell all right, title and interest of the City in and to its aforementioned Proposition 1A receivable, as defined in Section 6585(g) of the California Government Code (the "receivable"), namely the right to payment of moneys due or to become due to the City pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue & Taxation Code; and

WHEREAS, City, and the County of Sacramento, a political subdivision of the State, are parties to a property tax sharing agreement which was a condition of City's incorporation (hereinafter "Revenue Neutrality Agreement"); and

WHEREAS, 85 percent of the eight percent loan of property taxes from City to State, the City's receivable, is allocable to County under the Revenue Neutrality Agreement and will not be payable to County by City until said receivable is repaid to City on or before June 30, 2013; and

WHEREAS, the County is also a local agency within the meaning of Section 6585(f) of the California Government Code, (hereinafter "City"), and County desires to sell all right, title and interest of the County to its Proposition 1A receivable, as defined in Section 6585(g) of the California Government Code (the "receivable"), namely the right to payment of moneys due or to become due to the City pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue & Taxation Code; and

WHEREAS, City desires through agreement with County to reallocate a portion of its receivable due to the County under the Revenue Neutrality agreement, in the amount of \$579,601, to County so that County is able to sell all of its right, title, and interest in its receivable.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Elk Grove hereby resolves as follows:

Section 1. All of the recitals set forth above are true and correct, and the City Council of the City of Elk Grove (hereinafter "City Council") hereby so finds and determines.

Section 2. The City Council hereby allocates to County that portion of the 8% reduction in the City's *ad valorem* property tax revenue apportionment for fiscal year 2009-10 resulting from the adoption of Senate Bill 67 that would have otherwise been owing to the County pursuant to the Revenue Neutrality Agreement.

Section 3. The amount of said reallocation is \$579,601, which the City Council authorizes the County Auditor to reallocate to the County for its Fiscal Year 2009-10 *ad valorem* property tax revenue apportionment.

Section 4. The City Council hereby authorizes the City Manager of the City of Elk Grove to execute a reallocation agreement and any other necessary instruments in order to effectuate this Resolution.

Section 5. This Resolution shall take effect from and after its adoption and approval.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 28th day of October 2009.



PATRICK HUME, MAYOR of the
CITY OF ELK GROVE

ATTEST:

APPROVED AS TO FORM:



SUSAN J. BLACKSTON, CITY CLERK


SUSAN COCHRAN, CITY ATTORNEY

CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2009-205

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) ss
CITY OF ELK GROVE)

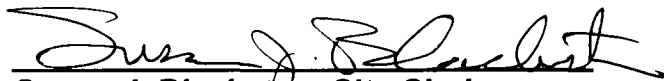
I, Susan J. Blackston, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on October 28, 2009 by the following vote:

AYES : **COUNCILMEMBERS:** *Hume, Cooper, Davis, Detrick*

NOES: **COUNCILMEMBERS:** *None*

ABSTAIN : **COUNCILMEMBERS:** *None*

ABSENT: **COUNCILMEMBERS:** *Scherman*


Susan J. Blackston, City Clerk
City of Elk Grove, California