



FOR IMMEDIATE RELEASE
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Yolo County and City of Davis to Consider Approval of Tax-Sharing Agreement

(Woodland, CA) – Yolo County and the City of Davis will consider finalizing a proposed tax-sharing agreement related to the Nishi Residential Development and West Davis Active Adult Center projects. This framework has been recommended for approval by staff for both agencies and a committee of elected officials comprised of city councilmembers Dan Carson and Will Arnold and county supervisors Jim Provenza and Don Saylor. The proposed agreement will be considered by the Davis City Council on December 4 and the Yolo County Board of Supervisors on December 11.

“This agreement would pave the way for annexation of two badly needed housing projects approved by the voters to the City of Davis,” said Davis City Councilmember Dan Carson. “It represents yet another important step in improving our collaboration with the county through the fair sharing of tax revenues and a renewed commitment to long-term planning.”

A tax-sharing, or tax exchange agreement, allocates property taxes consistent with each entity’s municipal service responsibilities following annexation. Under Proposition 13, property tax is 1% of assessed value which is then divided among the different taxing entities that provide services to an area. The proposed agreement provides the following major terms following annexation:

- The current county share of property taxes for the annexed properties allocated to the county’s General and Accumulated Capital Outlay funds will be allocated 50% to the county and 50% to the city.
- Property tax revenue currently allocated to County Road Fund #2 will be 100% allocated to the city.
- The county will receive 15% of the city’s Bradley Burns Sales and Use Tax revenue from sales made inside the annexed areas.
- The city will receive all property tax currently allocated to the Springlake Fire Protection District from the annexed area.
- For the West Davis Active Adult Center only, the city will provide a \$12,000 annual contribution to the county for use in emergency services planning and operations, adjusted annually up or down by changes in consumer price index, not to exceed 5%.
- The developments will pay the county’s Facilities Impact Fee.
- The city and county will partner and cooperate on the following issues:
 - Improving drainage at the access to the water tank at John Jones Road

- A traffic calming analysis to determine the need for, and effectuate traffic calming for John Jones Road/County Road 99 from Covell to County Road 29
- The city and county will collaboratively address shared interests including agriculture/urban interface, public health, infrastructure and public services. These discussions will include land use planning issues, such as future city or county General Plan updates for areas on the periphery of the city, particularly regarding the northwest quadrant.

In considering the tax exchange agreement on December 11, the Board of Supervisors will also consider approval of a separate agreement negotiated by the county with developer J. David Taormino in connection with the West Davis Active Adult Center Project. The agreement provides additional public benefits voluntarily offered by Mr. Taormino to the county, including:

- A contribution of \$1.25 million toward development of a new or expanded Adult Day Health Center to enhance services for the aging population in Yolo County; and
- Construction and dedication of a 10-foot wide bike path connecting the Binning Tract to the West Davis Active Adult Center development.

The agreement also affirms the county's commitment to facilitate consideration of West Davis Active Adult Center project site annexation by the Local Agency Formation Commission, as well as county assistance with bike path construction permitting and habitat mitigation for the project.

"These agreements are the result of careful collaborations between the City of Davis, Yolo County and the project applicants," said Yolo County Supervisor Don Saylor. "All parties worked in good faith driven by the broader interests of our shared community. I am pleased with the tax sharing framework, commitments to local bike projects and future traffic mitigations, and housing and services for our growing senior population. Like our recent agreements between the City and UC Davis, this agreement shows what we can do when we work together."

"The agreements balance the needs of both the city and the county to ensure adequate funding for critical services," said Yolo County Supervisors Jim Provenza. "We appreciate developer's commitment to provide funding for a new or expanded adult day health care center. The current facility is inadequate to serve the growing number of seniors and dependent adults who can remain in their homes with the assistance of a facility for medically needy adults. A new or expanded facility will double the number of persons we are able to serve. This commitment is consistent with the mutual goal of the county, the City of Davis and the developer to provide improved services to our aging population."

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