

Exhibit A

1 F. The development of the real property identified in the ANNEXATION would best be
2 served by being annexed to CITY. CITY and COUNTY further share a mutual interest in
3 the acquisition by CITY of the rights-of-way identified in **Exhibit B**, attached hereto and
4 incorporated herein by this reference, as this acquisition of the rights-of-way by CITY
5 would serve the public interest by minimizing creation of peninsulas, corridors, and other
6 distortions of boundaries.

7 **AGREEMENT**

8 NOW, THEREFORE, in consideration of the foregoing and of the covenants, conditions,
9 and promises hereinafter contained to be kept and performed by the respective parties, it is
10 mutually agreed as follows:

11 **1. Definitions.**

- 12 a. **Base Property Tax Revenue** means Property Tax Revenue allocated by tax rate
13 equivalents to all taxing jurisdictions as to the geographic area comprising a given
14 tax rate area annexed in the fiscal year immediately preceding the tax year in which
15 property tax revenues are apportioned pursuant to this Agreement, including the
16 amount of State reimbursement for the homeowners' exemption.
- 17 b. **Property Tax Increment** means revenue from the annual tax increment, as
18 "annual tax increment" is defined in Section 98 of the Revenue and Taxation Code,
19 attributable to the tax rate area for the respective fiscal year.
- 20 c. **Substantially Developed** means real property which, prior to annexation, has an
21 improvement value to land value ratio equal to or greater than 1.25:1, as
22 determined by the Fresno County Assessor's records, as of the property tax lien
23 date in the fiscal year in which the annexation becomes effective under the
24 Cortese-Knox Local Government Reorganization Act, and on and after January 1,
25 2001, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.
- 26 d. **Property Tax Revenue** means Base Property Tax Revenue, plus the Property
27 Tax Increment for a given tax rate area in a given fiscal year.

28 **2. Property Tax Revenues.**

1 a. **General.** The Property Tax Revenue collected in relation to the annexation of the
2 real property in the geographical area covered by the ANNEXATION shall be
3 apportioned between CITY and COUNTY as set forth in sections 2.b. and 2.c.
4 below. The parties acknowledge that, pursuant to Sections 54902, 54902.1, and
5 54903 of the Government Code and Sections 97 and 99 of the Revenue and
6 Taxation Code, the distribution of such Property Tax Revenues will not be effective
7 until the revenues are collected in the fiscal year following the calendar year in
8 which the related statement of boundary changes and the related map or plat is
9 filed with the County Assessor and the State Board of Equalization.

10 b. **Property Not Substantially Developed.** Regarding real property in the
11 ANNEXATION, which is not considered Substantially Developed at the time of
12 annexation, COUNTY will retain all of its Base Property Tax Revenue upon the
13 annexation of such geographical area to the CITY. The amount of the Property
14 Tax Increment allocated to special districts whose services are assumed by CITY
15 shall be combined with the Property Tax Increment allocated to COUNTY, the sum
16 of which shall be allocated between CITY and COUNTY pursuant to the following
17 ratio:

18 COUNTY: 62%

19 CITY: 38%

20 c. **Substantially Developed Property.** Regarding the real property in the
21 ANNEXATION, which is considered Substantially Developed at the time of
22 annexation, Property Tax Revenue (base plus increment) will be reallocated as
23 follows: a detaching or dissolving district's Property Tax Revenue (base plus
24 increment) shall be combined with COUNTY's and the sum shall be allocated
25 between CITY and COUNTY pursuant to the ratio set forth in section 2.b. above.

26 3. **Effective Date.** The Agreement shall not become effective until the execution by both
27 parties hereto.
28

1 **4. Additional Covenants.** Not as conditions to the validity or enforceability of other
2 provisions of this Agreement, CITY and COUNTY agree as follows:

3 a. **Acquisition of Rights-of-Way.** Within a reasonable time prior to the recordation
4 of the ANNEXATION, CITY shall accept conveyances from COUNTY for, or
5 otherwise acquire, all road rights-of-way along West Bullard Avenue and North
6 Winchester Avenue as identified in **Exhibit B**. In regard to any portion(s) of road
7 rights-of-way along West Bullard Avenue and North Winchester Avenue shown in
8 **Exhibit B**, for which the COUNTY does not have marketable record title as of the
9 Effective Date, CITY shall be responsible to acquire (by purchase, eminent
10 domain, or otherwise) said portion(s) of road rights-of-way. Upon the acceptance
11 or acquisition by CITY of the road rights-of-way identified in **Exhibit B**, pursuant to
12 this section 4.a., those rights-of-way shall become CITY streets and the sole
13 responsibility of CITY. As an alternative to the acceptance by CITY of conveyances
14 from COUNTY for or other acquisition of all road rights-of-way shown in **Exhibit B**
15 under this section 4.a., City may annex the territory comprising all road rights-of-
16 way shown in **Exhibit B**. CITY will not object to and shall support the imposition
17 by LAFCo of a condition of the ANNEXATION requiring, prior to the recordation of
18 the ANNEXATION, the acceptance by CITY of conveyances from COUNTY for or
19 other acquisition of all road rights-of-way shown in **Exhibit B**.

20 b. **Enforcement.** COUNTY may enforce the covenants in section 4, inclusive of
21 section 4.a., by any legal means, provided however that, once LAFCo issues a
22 certificate of completion pursuant to Section 57203 of the Government Code with
23 respect to the ANNEXATION, this section 4 does not authorize COUNTY to seek
24 LAFCo's invalidation of, or to withdraw support for, the proceedings for the
25 ANNEXATION.

26
27 [Signatures follow on next page.]
28

1 IN WITNESS WHEREOF, the parties have executed this Agreement at Fresno,
2 California, the day and year first above written.

3 CITY OF FRESNO,
4 a California municipal corporation

COUNTY OF FRESNO, a Political
Subdivision of the State of California

5
6 By: _____
7 Georgeanne A. White
City Manager

By: _____
Sal Quintero, Chairman of the
Board of Supervisors of the County
of Fresno

8 APPROVED AS TO FORM:
9 ANDREW JANZ
10 City Attorney

ATTEST:
Bernice E. Seidel
Clerk to the Board of Supervisors
County of Fresno, State of California

11
12 By: _____ Date
Jennifer M. Quintanilla
Senior Deputy City Attorney

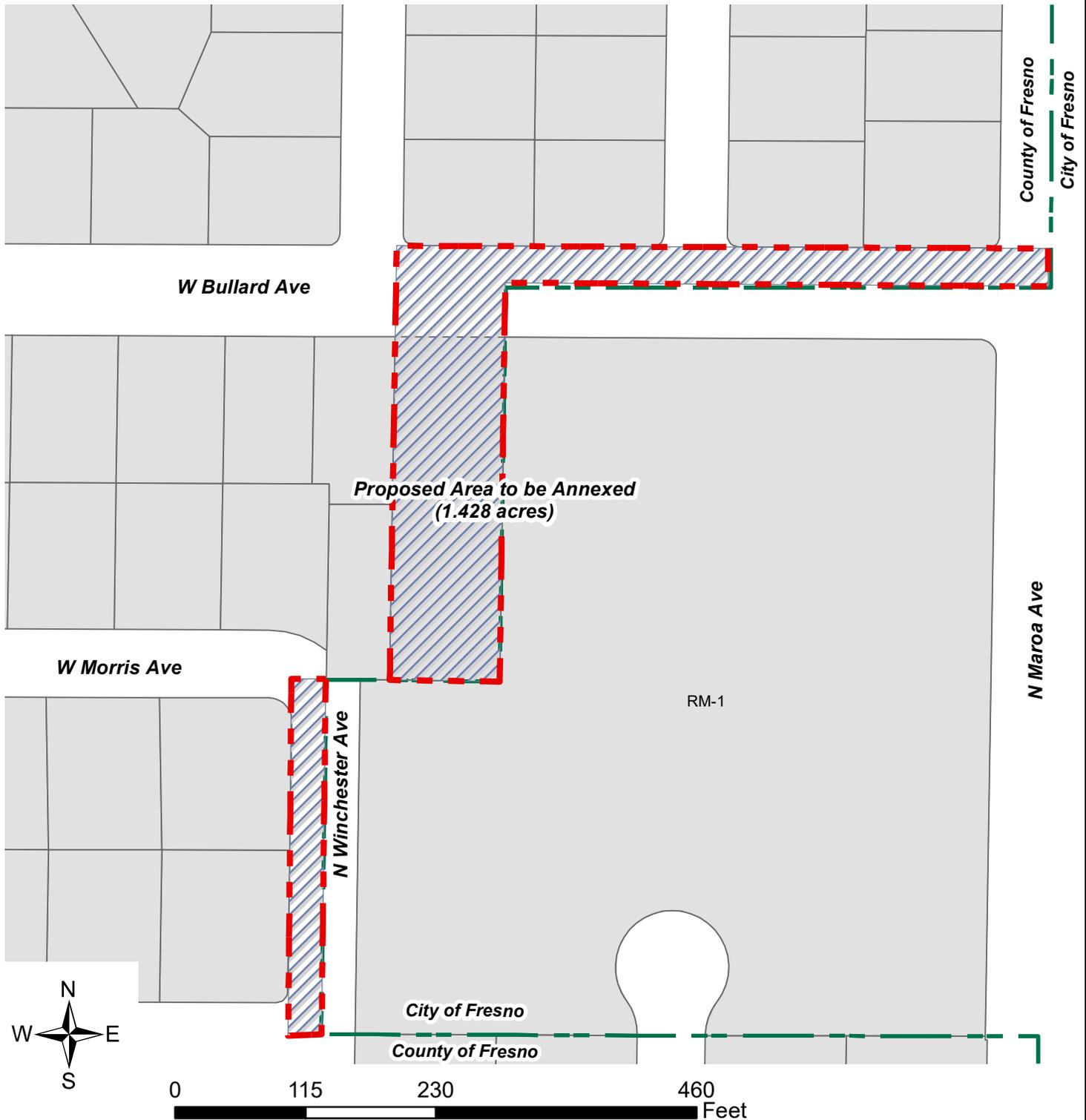
By: _____
Deputy

13
14 ATTEST:
15 TODD STERMER, CMC
City Clerk

16 By: _____ Date
Deputy

17 Attachments:
18 Exhibit A – Proposed Annexation Boundaries
19 Exhibit B – Rights-of-way to be accepted or acquired by the City of Fresno
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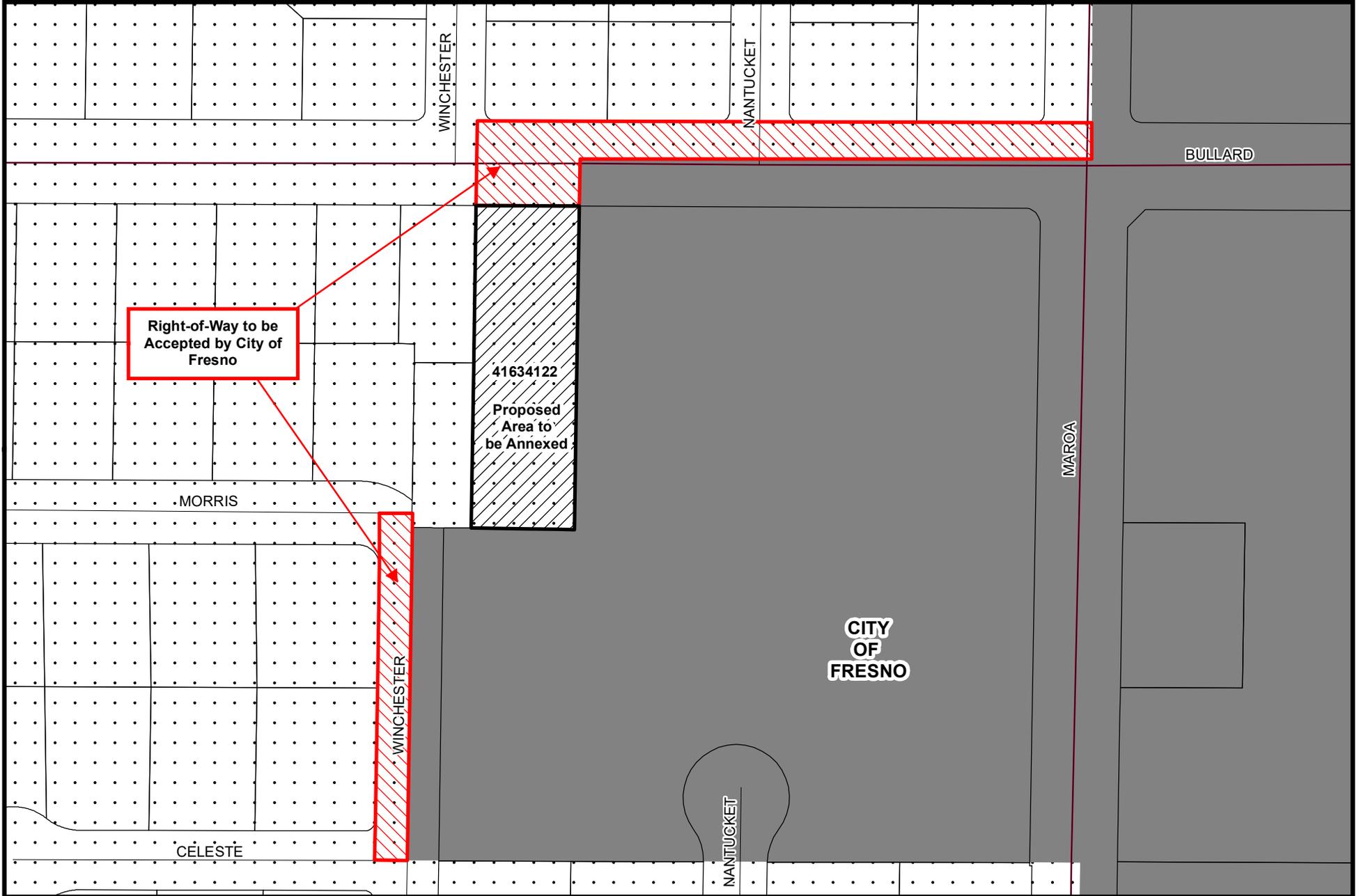
EXHIBIT A - Annexation



P21-03756
APN: 416-341-22
477 West Bullard Avenue 93704

 City Limits

0 25 50 100 150 200 Feet



Legend

-  Proposed Area to be Annexed (APN 416-341-22)
-  Right-of-Way to be Accepted by City of Fresno
-  Fresno
-  City of Fresno Sphere of Influence



Department of Public Works and Planning: Development Services Division

EXHIBIT B - PROPOSED ANNEXATION AND RIGHT-OF-WAY TO BE ACCEPTED BY THE CITY OF FRESNO



Map Prepared by: GS
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