

**IN THE BOARD OF SUPERVISORS**  
**COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA**

Tuesday, September 10, 2024

**PRESENT: Supervisors John Peschong, Bruce S. Gibson, Dawn Ortiz-Legg, Jimmy Paulding and  
Chairperson Debbie Arnold**

**ABSENT: None**

**RESOLUTION NO. 2024-203**

**RESOLUTION ACCEPTING NEGOTIATED EXCHANGE OF  
PROPERTY TAX REVENUE AND ANNUAL TAX INCREMENT  
BETWEEN THE COUNTY OF SAN LUIS OBISPO AND  
THE OCEANO COMMUNITY SERVICES DISTRICT**

The following resolution is hereby offered and read:

**WHEREAS**, on February 6, 2023, the Oceano Community Services ("District") filed a divestiture application for the transfer of fire protection services from the District to the County of San Luis Obispo ("County") with the San Luis Obispo – Local Agency Formation Commissioner (LAFCO); and

**WHEREAS**, on June 18, 2024, the Board of Supervisors voted to approve the Oceano Community Services District Divestiture of Fire Protection Services Plan for Services (Plan for Service), outlining the County's plan to accept responsibility for fire service to the community of Oceano, if the divestiture is approved by the Local Agency Formation Commission (LAFCO); and

**WHEREAS**, as outlined in the Plan for Service, fire protection services will be transferred to the County of San Luis Obispo with services provide by the County through a contract with Five Cities Fire Authority, upon approval of the divestiture by LAFCO; and

**WHEREAS**, the same share of the existing property tax currently used to fund fire services for the District will be transferred to and used by the County to offset the costs of providing fires services to the Community of Oceano; and

**WHEREAS**, as language included in the Plan for Service approved by the Board of Supervisors on June 18 and supported by the District via a letter of support stating the County Administrative Office would bring a tax exchange resolution to the Board of Supervisors such that District will retain 3.85% of current property tax revenue for the continuance of operation of the community's lighting service and the remaining 96.15%

property tax revenue shall be transferred to the County; and

**WHEREAS**, in the case of a jurisdictional change other than a city incorporation or district formation which will alter the service area or responsibility of a local agency, Revenue and Taxation Code Section 99(a)(1) requires that the amount of property tax revenue to be exchanged, if any, and the amount of annual tax increment to be exchanged among the affected local agencies shall be determined by negotiation; and

**WHEREAS**, no later than the date on which the certificate of completion of the jurisdictional change is recorded with the County Recorder, the Executive Officer shall notify the County Auditor of the exchange of property tax revenues by transmitting a copy of said resolutions to him and the County Auditor shall thereafter make the appropriate adjustments as required by law; and

**WHEREAS**, the negotiations have taken place concerning the transfer of property tax revenues and annual tax increment between the County and the District pursuant to Section 99(b)(5) for the transfer of fire protection services from the District to the County; and

**WHEREAS**, the negotiating party, to wit: Rebecca Campbell, Assistant County Administrative Officer, County of San Luis Obispo, on behalf of the County and Charles Varni, President, Oceano Community Services District, on behalf of the District have negotiated the exchange of property tax revenue and annual tax increment between such entities as hereinafter set forth; and

**WHEREAS**, it is in the public interest that such negotiated exchange of property tax revenues and annual tax increment be consummated.

**NOW, THEREFORE BE IT RESOLVED AND ORDERED** by the Board of Supervisors of the County of San Luis Obispo, State of California, as follows:

1. That the recitals set forth above are true, correct and valid.
2. That the County of San Luis Obispo agrees to accept the following the following negotiated exchange of base property tax revenues and annual tax increments if the divestiture of fire protection services from OCSD to the County is approved by the Local Agency Formation Commission (LAFCO):
  - (a) The Oceano Community Service District shall retain 3.85% of current base property tax revenue, and any future property tax increment associated with that percentage, after transfers to the Educational Revenue Augmentation Fund (ERAF) fund and the remaining 96.15% base property tax revenue, and any future property tax increment associated with that percentage, shall be transferred to the County.
3. Upon receipt of a certified copy of this resolution and a copy of the recorded certificate of

completion, the County Auditor shall make the appropriate adjustments to property tax revenues and annual tax increments as set forth above.

- 4. That the County Clerk is authorized and directed to transmit a certified copy of the resolution to the Executive Officer of the San Luis Obispo Local Agency Formation Commission, who shall then distribute copies in the manner prescribed by law.

Upon motion of Supervisor Gibson, seconded by Supervisor Ortiz-Legg, and on the following roll call,

to wit:

AYES: Supervisors Gibson, Ortiz-Legg, Peschong, Paulding and Chairperson Arnold

NOES: None

ABSENT: None

ABSTAINING: None

the foregoing resolution is hereby adopted.

*Debbie Arnold*

Debbie Arnold  
Chairperson of the Board of Supervisors

ATTEST

MATTHEW P. PONTES  
Ex-Officio and Clerk of the Board of Supervisors

By: Sandy Cursons  
Deputy Clerk

APPROVED AS TO FORM AND LEGAL EFFECT

Rita L. Neal  
County Counsel

By: Benjamin Dore  
Deputy County Counsel

Dated: August 19, 2024

STATE OF CALIFORNIA ) ss.  
COUNTY OF SAN LUIS OBISPO)

I, **MATTHEW P. PONTES**, Ex-Officio Clerk of the Board of Supervisors thereof, do hereby certify the foregoing to be a full, true and correct copy of an order entered in the minutes of said Board of Supervisors, and now remaining of record in my office.

Witness, my hand and seal of said Board of Supervisors on September 17, 2024.

**MATTHEW P. PONTES**  
County Administrative Office and  
Ex-Officio Clerk of the Board of Supervisors

By: Sandy Cursons  
Deputy Clerk