

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF PLUMAS
AUTHORIZING THE COUNTY ADMINISTRATOR TO EXECUTE FUNDING AGREEMENTS
TO IMPLEMENT TAX NEUTRALITY REQUIREMENT

WHEREAS, the Pacific Forest and Watershed Lands Stewardship Council, a California nonprofit public benefit corporation ("Stewardship Council"), was created to oversee the "Land Conservation Commitment" described in that certain Settlement Agreement among Pacific Gas and Electric Company ("PG&E"), PG&E Corporation, and the California Public Utilities Commission (the "Commission") as modified and approved by the Commission in its Opinion and Order of December 18, 2003 (Decision 03-12-035) (the "Settlement Agreement"); and that certain Stipulation Resolving Issues Regarding the Land Conservation Commitment dated September 25, 2003 (the "Stipulation"); and

WHEREAS, pursuant to the Settlement Agreement and Stipulation, certain lands owned by PG&E at the time of the Settlement (the "PG&E Watershed Lands") are to be conserved for a broad range of beneficial public values, including the protection of the natural habitat of fish, wildlife and plants; the preservation of open space; outdoor recreation by the general public; sustainable forestry; agricultural uses; and historic values. The Stewardship Council is charged with developing a Land Conservation Plan ("LCP") for the protection and enhancement of the PG&E Watershed Lands; and

WHEREAS, the Settlement Agreement requires that the LCP assess that any donation will not adversely impact local tax revenue, and the Stipulation requires that an appropriate entity provide property tax revenue, other equivalent revenue source, or a lump sum payment so that the totality of the dispositions in each affected county under the Land Conservation Commitment will be tax neutral for that county ("Tax Neutrality Requirement"); and

WHEREAS, in consideration of the covenants and obligations set forth herein, the Stewardship Council intends that the funding be provided to Plumas County as described below and the County desires to accept such funding, all subject to the terms and conditions described in the Agreement.

WHEREAS, although it has been the County's position that the lump sum payments provided by the Settlement Funding Agreements are unlikely to provide full "tax neutrality" because: 1) the assumed "Cap Rate" of four percent (4%) is insufficient; 2) public agency restrictions on investments will not generate a comparable rate of return; and 3) it fails to account for future inflation growth or development, the County has reluctantly decided to accept the lump sum payments as meeting the Tax Neutrality Requirement since it is unlikely to be cost effective to pursue a legal challenge.

WHEREAS, the County and the Stewardship Council also desire to confirm and acknowledge that the Stewardship Council will make a \$3,000 payment to County for the County's administrative costs to set up the process to allocate payments to special districts consistent with the methodologies described in Division 1 of the California Revenue and Taxation Code; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors, County of Plumas, State of California, that the Board of Supervisors hereby elects to receive Tax Neutrality Requirement payments in a lump sum payment to the County within 60 days after the closure of each applicable land donation or the execution of a tax neutrality funding agreement whichever comes later and authorizes the County Administrator to sign the agreement.

BE IT FURTHER RESOLVED, that the County Administrator, or designee, is authorized to take such actions and/or execute such documents as may be necessary or appropriate to implement the Funding Agreements.

The foregoing Resolution is duly passed and adopted by the Board of Supervisors of the County of Plumas, State of California, at a regular meeting of said Board held on the 10th day of November, 2020 by the following vote:

AYES: SUPERVISORS SIMPSON, THRALL, ENGEL, GOSS

NOES: NONE

ABSENT: NONE


Chair, Board of Supervisors

ATTEST:


Clerk of the Board