



## **RESOLUTION No. \_\_\_\_\_**

### **OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA**

#### **RESOLUTION APPROVING A FUNDING AGREEMENT TO IMPLEMENT THE TAX NEUTRALITY REQUIREMENT BETWEEN THE COUNTY OF NEVADA AND THE PACIFIC FOREST AND WATERSHED LANDS STEWARDSHIP COUNCIL FOR 75 ACRES OF LAND LOCATED NEAR LAKE SPAULDING (APN 064-330-002 AND 064-330-003)**

WHEREAS, the 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 Stipulation Resolving Issues Regarding the Land Conservation Commitment dated September 25, 2003 (“the Stipulation”); and

WHEREAS, the Stewardship Council has limited assets and no foreseeable sources of revenue and consequently the Stewardship Council is anticipated to dissolve or otherwise wind down or cease to operate in the future; 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, in connection with the Land Conservation Commitment, approximately 1,867 acres of PG&E Watershed Lands in Nevada County that PG&E agreed to make available for donation are anticipated to be donated to eligible organizations; 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, at the December 13, 2016 Nevada County Board of Supervisors meeting a Tax Neutrality Agreement was approved for donation of 1,461 acres near Lake Spaulding to the University of California (Resolution 16-582); at the February 27, 2018, Board of Supervisors meeting, a similar agreement was approved for 77 acres of property near White Rock Lake that was donated to the US Forest Service; in this meeting today, there is a second similar agreement being requested for approval for 240 acres of land located in the Bear River headwaters downstream of Lake Spaulding; and

WHEREAS, pursuant to the Settlement Agreement and Stipulation, the Stewardship Council desires to transfer lands located downstream of Lake Spaulding (APN 064-330-002 and 064-330-003), and the County of Nevada and the Stewardship Council desire to enter into an agreement to address the Tax Neutrality Requirement.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Nevada that a Funding Agreement to Implement the Tax Neutrality Requirement by and between the County of Nevada and the Stewardship Council for lands located near Lake Spaulding (APN 064-330-002 and 064-330-003) be and is hereby approved in substantially the form attached hereto as Exhibit A and that the County Executive Officer, or their designee, is hereby authorized to execute this Agreement on behalf of the County of Nevada.