

**RESOLUTION NO. 2017-\_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SHASTA  
REPEALING RESOLUTION 2015-125 AND AUTHORIZING THE COUNTY  
EXECUTIVE OFFICER TO EXECUTE FUNDING AGREEMENTS TO IMPLEMENT A  
TAX NEUTRALITY REQUIREMENT**

**WHEREAS**, the Funding Agreement to Implement Tax Neutrality Requirement (“Agreement”) as described in Exhibit A, is entered into as of the Effective Date by and between the Pacific Forest and Watershed Lands Stewardship Council, a California nonprofit public benefit corporation (“Stewardship Council”) and County of Shasta, a public entity (“County”) with reference to the following; and

**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 certain Stipulation Resolving Issues Regarding the Land Conservation Commitment dated September 25, 2003 (the “Stipulation”). 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 23,500 acres of PG&E Watershed Lands in Shasta 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”). By and through the Agreement, Shasta County and Stewardship Council desire, among other things, to confirm and acknowledge that the Tax Neutrality Requirement has been met; and

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

**NOW, THEREFORE, BE IT RESOLVED**, each Agreement shall become effective as of the last date it has been signed by both parties. (“Effective Date”). The provisions of each Agreement shall survive the closing of the transactions contemplated hereby and Stewardship Council’s dissolution, winding down or ceasing operations; and

**BE IT FURTHER RESOLVED**, that the County Executive Officer is hereby authorized to execute all funding agreements to implement tax neutrality; and

**BE IT FURTHER RESOLVED**, that the County of Shasta elects to receive the 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

**BE IT FURTHER RESOLVED**, within 60 days of the execution of the first Agreement, the Stewardship Council will make a \$3,000 payment to County for its 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.

**BE IT FURTHER RESOLVED**, that Resolution 2015-125, adopted on October 13<sup>th</sup>, 2015 by the Board of Supervisors of the County of Shasta, is hereby repealed.

**DULY PASSED AND ADOPTED** this 10<sup>th</sup> day of October, 2017 by the Board of Supervisors of the County of Shasta, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:  
RECUSE:

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DAVID A. KEHOE, CHAIRMAN  
Board of Supervisors  
County of Shasta  
State of California

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ATTEST:

LAWRENCE G. LEES

Clerk of the Board of Supervisors

By \_\_\_\_\_  
Deputy