



MOUNTAINS RECREATION & CONSERVATION AUTHORITY

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MEMORANDUM

TO: The Governing Board

FROM:  Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Officer

DATE: June 27, 2012

SUBJECT: **Agenda Item V: Consideration of resolution declaring intention to establish Community Facilities District No. 1.**

Agenda Item VI: Consideration of resolution declaring intention to establish Community Facilities District No. 2.

Staff Recommendation: That the Governing Board of the Mountains Recreation and & Conservation Authority (MRCA) adopt the attached resolutions declaring intention to establish two community facilities districts, schedule public hearings for August 7, 2012 at 2:00 p.m. for the purpose of forming Community Facilities District No. 1 and Community Facilities District No. 2 (Open Space Protection and Fire Prevention), and direct staff to advertise a notice of public hearings for the formation of CFD No. 1 and CFD No. 2 (the "CFDs").

Background: The availability of both capital and maintenance funding to the MRCA will drastically diminish after FY 2014/15. Most specifically the bulk of the MRCA's \$1.6 million of Los Angeles County Proposition A Servicing and Maintenance funds will be permanently eliminated. The MRCA will then briefly have a small on-going source of funding for the stewardship, maintenance, repair and replacement of facilities and improvements on MRCA public open space and natural lands or the lands that the MRCA manages for other agencies. In 2018 all Proposition A Servicing and Maintenance funds will stop for the MRCA.

With the exception of a couple of geographic areas, the MRCA will have scant to non-existent funding to preserve and protect additional lands and make improvements unless it has obtained a grant for a specific property or project.

The MRCA's capacity to provide land stewardship services such as fire prevention and safety and security services will also significantly contract unless new funding is obtained.

All of these reductions apply to proposed CFD No. 1 and CFD No. 2 in the eastern Santa Monica Mountains. Limited brush clearance money will remain available in

these areas but not enough to cover the costs of the service currently provided and to do required clearance on any new lands acquired.

The MRCA currently maintains approximately 1,625 acres comprised of 355 parcels in proposed CFD No. 1. The MRCA currently maintains approximately 1,039 acres comprised of 47 parcels in proposed CFD No. 2. These two areas contain a high concentration of public open space and trails spread among many different neighborhoods. CFD No. 1 also includes the Mulholland Drive scenic overlooks that are maintained by the MRCA. These two areas receive a significant level of funding that cannot be continued for more than one or two years from now because preparatory belt tightening and savings are occurring now. As a result, the MRCA has recently had to make difficult reductions in its land maintenance and stewardship services and staffing, including its local fire prevention, safety and security services.

The Governing Board is proposing the formation of two community facilities districts pursuant to Government Code Section 53311, et seq. to provide funding to maintain, improve, acquire, protect and preserve open space and natural lands owned or maintained by the MRCA in the eastern Santa Monica Mountains.

CFD No. 1 generally encompasses the full extent of the Santa Monica Mountains, less a large portion of Griffith Park, between Interstate 5 and the San Diego (405) Freeway. Numerous neighborhoods and districts abut this extension of natural land into the Los Angeles Basin and San Fernando Valley. The fine boundary details are defined by the Santa Monica Mountains Zone pursuant to Section 33105 of the California Public Resources Code. Mulholland Drive along the crest of the mountain range is the District's backbone that also defines an eastward extension of the Santa Monica Mountains National Recreation Area. CFD No. 1 includes a total of approximately 22,692 acres that include 6,640 acres of public land. These public lands provide open space recreation, watershed, and animal habitat resources. They are owned at the city, county, local agency, state and federal level.

CFD No. 2 generally encompasses the northern slope of the Santa Monica Mountains within the City of Los Angeles north of Mulholland Drive between the San Diego (405) Freeway and the City Calabasas. The District includes portions of Encino, Tarzana, and Woodland Hills. The northern District boundary details are defined by the Santa Monica Mountains Zone pursuant to Section 33105 of the California Public Resources Code. A contiguous band of land along the southern boundary is located within the Santa Monica Mountains National Recreation Area. CFD No. 2 includes a total of approximately 11,291 acres that include 2,793 acres of public land. These public lands provide open space recreation, watershed, and animal habitat resources. They are owned at the city, county, local agency, state and federal level.

On June 27, 2012, the Governing Board considered adopting local goals and policies concerning the use of the California Government Code Section 53312.7(a) and the Act as required. These Goals and Policies provide guidance and conditions for the use of the CFDs for services and general improvements. If the Board approves the Policies, then the next steps in the process of establishing the CFDs are as follows:

1. Adopt resolutions of intention (the "Resolutions") to establish the CFDs.
2. Set the date and time for the public hearings to consider the formation of each CFD.
3. Advertise a notice of the public hearings for the formation of the CFDs.

Should the Board approve these actions this afternoon, additional steps in the process would need to be taken:

1. The maps of the proposed boundary for CFD No. 1 and CFD No. 2 are recorded with the County Recorder.
2. A public hearing for each CFD is held at 2:00 p.m. on August 7, 2012 or as soon as practical.
3. The Governing Board adopts resolutions of formation for CFD No. 1 and CFD No. 2, authorizing the levy of special taxes therein.
4. The Governing Board adopts a resolution calling for a special tax election to be held on November 6, 2012.

The Rate and Method of Apportionment (as set forth in Exhibit C, Resolution of Intention) provides for an up to 30-year special tax of \$26.00 per developed parcel within CFD No. 1 and \$22.00 per developed parcel within CFD No. 2.

If such CFDs are approved by 2/3rds or more of voters in each CFD who participate in the November general election, the CFDs would generate the following estimated annual revenues at the following rates:

CFD No. 1		
	As proposed, \$26.00 per developed parcel	\$739,000 per year
	At \$22.00 per developed parcel	\$625,000 per year
CFD No. 2		
	As proposed, \$22.00 per developed parcel	\$354,000 per year
	At \$18.00 per developed parcel	\$290,000 per year