MEMORANDUM

TO: The Governing Board

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

DATE: August 7, 2012

SUBJECT: Agenda Item IV: Public hearing regarding the establishment of Community Facilities District No. 1 (Open Space Protection and Fire Prevention).

Staff Recommendation. That the Governing Board ("Governing Board") of the Mountains Recreation and Conservation Authority ("MRCA") hold a public hearing on the establishment of the Community Facilities District No. 1 (Open Space Protection and Fire Prevention) and the proposed rate, method of apportionment, and manner of collection of the special tax at 11:00 a.m., or as soon thereafter as practicable, on Tuesday, August 7, 2012, at Franklin Canyon Park, 2600 Franklin Canyon Drive, Beverly Hills, California.

Background. On June 27, 2012, the Governing Board of the MRCA adopted Resolution No. 12-84 (the "Resolution"), wherein the Governing Board declared its intention to establish MRCA Community Facilities District No. 1 (Open Space Protection and Fire Prevention) ("CFD No. 1" or the "CFD") pursuant to California Government Code Section 53311 et seq. and set the date and time for a public hearing on the proposed CFD.

The proposed boundaries for CFD No. 1 are within the Santa Monica Mountains Conservancy Zone in the City of Los Angeles and generally within the Santa Monica Mountains west of Griffith Park and east of Interstate 405 (the "East Santa Monica Mountains / Hollywood Hills Area"). CFD No. 1 includes a total of approximately 22,692 acres that include public lands that provide open space recreation, viewshed, watershed, and animal habitat resources.

Notice of this hearing, including a summary of the Resolution, was published in the Los Angeles Daily News on June 25, 2012 in accordance with all applicable requirements of Government Code Section 53322.

The Resolution includes the levy of a special tax within the CFD to finance the costs of the maintenance, acquisition, improvement, servicing, protection, and
preservation of open space, parkland, wildlife corridors, natural habitats, lands, waters, and facilities owned or managed by MRCA within the CFD, and the protection of water quality, reduction of the risk of wildfires, and park ranger safety and security services (“the Services and Facilities”), including incidental expenses for the CFD. Exhibit C to the Resolutions, titled “Rate and Method of Apportionment of Special Tax,” includes a description of the rates, method of apportionment, and manner of collection of the special tax. The maximum annual tax per developed parcel was originally proposed to be $26.00; however, upon adoption of the Resolution it was reduced to a maximum of $24.00 annually per developed parcel. Moreover, the term of the special tax will not exceed 10 years.

Pursuant to Government Code Section 53321.5, a report of the proposed Services and Facilities (“Special Tax Report”) has been prepared and filed with the Board Clerk. The Special Tax Report presents 1) a description of the Services and Facilities by type which will be required to adequately meet the needs of the CFD; and 2) an estimate of the fair and reasonable cost of the Services and Facilities and the cost of incidental expenses in connection therewith. The Special Tax Report has been made part of the record of the public hearing specified in Section 7 of the Resolution.

Pursuant to Government Code Section 53323, at the public hearing, the Governing Board must hear testimony of all interested persons or taxpayers for or against the establishment of the CFD, the extent of the CFD or the furnishing of the specified types of public facilities. At the hearing, protests against the establishment of the CFD, the extent of the CFD, or the furnishing of the specified types of public facilities or services within the CFD may be made orally or in writing by any interested person. However, any protests pertaining to the regularity or sufficiency of the proceedings must be in writing and must clearly set forth the irregularities and defects to which objection is made. Any written protest not personally presented by the author of that protest at the hearing must be filed with the Clerk of the Governing Board. The Governing Board may waive any irregularities in the form or content of any written protest and at the hearing may correct minor defects in the proceedings. Written protests may be withdrawn in writing at any time before the conclusion of the hearing.

Pursuant to Government Code Section 53324, if 50 percent or more of the registered voters residing within the territory proposed to be included in the CFD, or the owners of one-half (½) or more of the area of the land in the territory proposed to be included in the CFD and not exempt from the special tax, file written protests against the establishment of the CFD, and such protests are not withdrawn so as to reduce the value of the protests to less than such a majority, no further proceedings to establish the CFD or to levy such special tax shall be taken for a period of one (1) year from the date of the public hearing, except that if the majority protests of the registered voters or the landowners are only against providing a specified type or
types of any of the Services and Facilities proposed for the CFD, those protested Services and Facilities must be eliminated from the resolution of formation of the CFD.

If the Governing Board proceeds with formation of the CFD, by adopting a resolution of formation, the special tax may be submitted to a vote of the registered voters within the proposed CFD in the next general election scheduled for November 6, 2012. Each voter shall have one vote. In order for the special tax to pass, at least two-thirds of the votes cast on the proposition must be in favor of levying the special tax.