



**MOUNTAINS RECREATION & CONSERVATION AUTHORITY**

Los Angeles River Center and Gardens  
570 West Avenue 26, Suite 100  
Los Angeles, CA 90065  
Phone (323) 221-8900 Fax (323) 221-9001

**MEMORANDUM**

**TO:** The Governing Board

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

**DATE:** February 6, 2013

**SUBJECT:** **Agenda Item VI(f): Consideration of resolution authorizing entering into a professional services contract with SCI Consulting Group for administration of MRCA Community Facilities Districts No. 1 and 2.**

Staff Recommendation: That the Governing Board adopt the attached resolution authorizing entering into a professional service contract with SCI Consulting Group for the administration of MRCA Community Facilities Districts No. 1 and 2. The contract would be for a three year term, not to exceed \$45,000 the first year, and \$29,000 each subsequent year, plus expenses up to \$1,500.

Background: August 7, 2012 the Governing Board adopted resolutions of formation establishing Community Facilities District No. 1 and 2 in the Santa Monica Mountains and ordered an election on a special tax for each of these Districts on November 6, 2012. The special taxes were approved by greater than the required 2/3 majority in that election.

The Governing Board had previously, on June 27, 2012, authorized augmenting a existing contract to SCI Consulting Group to perform the necessary work to form and (if approved by the voters) implement the two Community Facilities Districts.

The current proposal is for services related to the determination, levy and collection and administration of special tax revenues from the Community Facilities Districts No. 1 and 2. The services needed are many and complex, and because of their previous work on the establishment of the Districts, would be best performed by SCI Consulting Group. These services would include:

**Establishments of CFDS:**

1. Prepare notice of special tax lien for each CFD as required by law.
2. Prepare a notice of special tax for each CFD to be made available to property owners and prospective home buyers upon request.
3. Provide the County with all information and documents required to establish a new general ledger system fund number and property tax system levy code for each CFD.

**CFD Special Tax and Property Attribute Research**

1. Meet with Agency staff, Agency Board, legal counsel; developers and other individuals as needed to establish timeline other tasks related to submittal and administration of the annual special tax levies for each CFD.
2. Obtain current property and ownership data from the County Assessor, County planning department and other sources for all parcels within the CFD boundaries.
3. Obtain parcel maps, approved final maps and other required property information for properties within the CFD.
4. Utilize SCI's extensive internal property attribute and special tax data information for the Agency as required.
5. Obtain topographic and aerial maps and diagrams as necessary to complement SCI's and the County Assessor's existing maps and diagrams and to be used to confirm the parcels and CFD boundaries.
6. Identify all parcels within CFD boundaries and all parcels to be included on the tax rolls using current and historical parcel information, parcel maps, GIS parcel layers and systems. Verify that all "child" parcels have been identified and cross-matched with each "parent" parcel that has been retired due to a subdivision or parcel reconfiguration.
7. Utilize other real property data information services to obtain additional property information, and to verify and confirm all levies.
8. Research changes in property data, property usage and special tax changes from the previous year for all parcels within the CFDs. Flag all parcels that require property research to determine the appropriate special tax levy.
9. Run multiple validation checks and queries on the Assessor records to flag parcels with potentially incorrect or incomplete land use designations or property characteristics. Utilize other property data sources and/or research parcels so identified and update SCI's land type classifications as necessary.
10. Field-check those properties that are flagged for research as well as those parcels or areas designated by Agency staff as requiring further research.
11. Research and verify parcel data. As needed, correct assessor property data and other information used to determine tax levies for properties, such as number of residential units. Such verification includes field-checks of properties as required.

12. Conduct a comprehensive parcel audit to verify that all factors used to determine the tax levies are correct. Revise any levy found to be based on inaccurate or incomplete information.

13. From property records, determine the number of parcels in each land use category, excluding nontaxable parcels.

14. Update and maintain a database for each parcel within Agency boundaries. The data for each parcel will include the owner name(s), site address property values, parcel number, property classification, special tax amount, mailing address, site address, parcel type, notes and other useful or relevant data.

### **Tax Reports and Special Tax Administration Services**

1. Assist with the development of budgets and cost estimates for the CFDs.

2. Obtain current fiscal year cost information from the Agency to use as a basis for the cost estimate in the Special Tax Reports.

3. In conjunction with the Agency, determine the specific budget, project expenditures and capital improvements and services proposed to be funded with the CFD taxes.

4. Each fiscal year, classified each parcel as Taxable Property or Exempt Property.

5. Using the established special tax rate and method of apportionment, calculate the annual special taxes for each parcel in the CFDs.

6. Compare the special tax amount calculated for each parcel with the tax roll for the previous fiscal year and re-verify taxes for all parcels for which the tax amount has changed for a reason other than an increase in the tax rate.

7. Prepare reports of new and deleted parcels from the prior fiscal year to the current year and verify the taxes for new parcels.

8. Run custom-developed queries on the tax roll to verify and check the special tax accuracy for all parcels.

9. Provide the Agency with a preliminary Special Tax Report for each CFD with projected total revenues.

10. Prepare the Tax Roll listing parcel number, owner name, property address, and tax amount for each Assessor Parcel within each CFD. Print Tax Roll for each CFD sorted by Assessor Parcel Number and owner's name.

11. Prepare the Special Tax Report for each CFD.
12. File the Special Tax Reports with Agency.
13. Attend Agency Board meetings, if needed.
14. Present the Special Tax Rolls and Special Tax Reports to the Board, summarize the tax methodology for the CFDs, answer all questions raised and assist in finalizing the project for Board approval, as needed.
15. Obtain the final closing County Assessor Roll for the County when it becomes available.
16. Create a new and final tax roll using final County lien roll data and the other tasks described above. Recalculate the special levies for all parcels that materially changed in land use code or changed in other ways on the final lien date roll for the fiscal year.
17. Meet the County tax roll submission requirements and perform tasks needed to submit the special tax levies. File approved tax roll with the County Auditor for inclusion of the special taxes on the fiscal year tax bills.
18. Receive exceptions list, if any, from County Auditor; make appropriate revisions and resubmit to Auditor's Office.
19. Verify and validate Auditor's levy data prior to the printing of tax bills.
20. Finalize and maintain a database for each parcel within the CFD. The data for each parcel will include the tax levy, parcel number, mailing address, site address, parcel type and other relevant information.
21. Prepare resolutions, draft staff reports and other documents as needed.
22. Provide reports throughout the year coinciding with the performance of the annual administration. These reports will include a detail of the amounts submitted for levy, details of delinquent taxes, assessed valuation information, levy detail by property type and levy amounts.
23. Coordinate the review and development of administrative procedures and levy tracking reporting with the CFD.

24. Provide other appropriate administrative services throughout fiscal year.

**Responding to Property Owner Inquiries and Appeals**

1. Provide the County Auditor with a toll-free 800 phone line so property owners can directly contact the consultant throughout the fiscal year regarding any questions that arise, a review of specific levies, description of procedures and any other issues.
2. Provide the County Auditor with a summary and overview of the CFD for Auditor staff and Auditor public response staff reference.
3. Directly and promptly respond to any property owner, staff or other agency inquiries on a toll free special levy assistance phone line.