



# MOUNTAINS RECREATION & CONSERVATION AUTHORITY

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## MEMORANDUM

TO: The Governing Board

FROM:  Joseph T. Edmiston, FAICP, Executive Officer

DATE: October 7, 2015

SUBJECT: **Agenda Item VIII: Consideration of resolution to form Community Facilities District 2015-1 (Sterling West Hills), Dayton Canyon, City of Los Angeles.**

Staff Recommendation: That the Governing Board adopt the attached resolution to form Community Facilities District No. 2015-1 (Sterling West Hills) in Dayton Canyon, City of Los Angeles.

Background: On September 2, 2015, the Governing Board adopted a resolution declaring its intention to establish Community Facilities District (CFD) No. 2015-1 (Sterling West Hills) to provide funding to maintain the open space in Dayton Canyon and within the development area to be dedicated to the Mountains Recreation and Conservation Authority (MRCA) as part of the Sterling West Hills project.

The Sterling West Hills project consists of 143 single-family homes to be constructed in Dayton Canyon. The project is located in the Simi Hills southeast of MRCA-owned Sage Ranch Park and by the southwest corner of the Chatsworth Reservoir Nature Preserve. The proposed open space dedications pursuant to conditions of approval for the project include approximately 290 acres enveloping the development area. The dedication also includes a conservation easement that connects Simi Hills core habitat to Valley Circle Boulevard across from the Chatsworth Reservoir Nature Preserve. A section of Dayton Creek is also part of the fee simple open space dedication. Public access to the open space area will include a trailhead and public parking area at Valley Circle Boulevard, which will be developed by the applicant, Centex Homes and managed by MRCA.

The formation of the proposed CFD will provide funding to maintain, improve, protect, and preserve open space and natural lands to be owned and maintained by the MRCA in Dayton Canyon as a result of the Sterling West Hills project. The MRCA would essentially maintain open space, retention basins, trails, and even an emergency access road within the housing tract as well as for the adjoining approximately 290 acres. The complete description of services proposed to be

financed by the CFD and the rate and method of apportionment of special tax are on file with the Board Secretary and are attached to the resolution as Exhibit A and Exhibit B.

On September 16, 2015, a notice was published in the Los Angeles Daily News indicating that a public hearing is to be held on October 7, 2015 regarding the formation of the CFD. It is expected that the public hearing will be held by the Board and the proposed special tax to be levied within the CFD shall not be precluded by majority protest.

If the attached resolution of formation is approved, the special tax would be submitted to a vote of the qualified voters within the proposed CFD in agenda item IX.

The Rate and Method of Apportionment, as set forth in Exhibit B of the resolution, provides for a maximum annual special tax (Special Tax A) of \$1,408 per parcel to be levied annually in perpetuity unless terminated earlier by the MRCA. A separate maximum annual special tax (Special Tax B) of \$697 per parcel shall be levied annually as needed (five years). The CFD, if approved by two-thirds or more of qualified voters within the CFD, would generate a maximum annual tax of \$301,003.

The maximum Special Tax A and maximum Special Tax B shall be increased annually, commencing July 1, 2017, based on the percentage increase in the Consumer Price Index with a maximum annual increase of three percent (3%) and a minimum annual increase of one percent (1%) of the maximum Special Tax in effect in the previous Fiscal Year.