



# 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 X: Consideration of resolution declaring results of special tax election, determining validity of prior proceedings, and directing recording of notice of special tax lien for Community Facilities District 2015-1 (Sterling West Hills), Dayton Canyon, City of Los Angeles.**

Staff Recommendation: That the Governing Board adopt the attached resolution declaring results of special tax election, determining validity of prior proceedings, and directing recording of notice of special tax lien for Community Facilities District No. 2015-01 (Sterling West Hills).

Background: The Mello-Roos Community Facilities Act of 1982, as amended (Act), requires that a series of steps be taken pursuant to Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code, in order for the Mountains Recreation and Conservation Authority (MRCA) to establish a community facilities district.

On September 2, 2015, the Governing Board adopted Resolution 15-131 declaring its intention to establish Community Facilities District (CFD) No. 2015-1 (Sterling West Hills) as a result of the Sterling West Hills project, in order to provide funding to maintain the open space in Dayton Canyon and within the development area to be dedicated to the MRCA. Details about the Sterling West Hills project and the purpose of establishing the CFD can be found in the staff reports for agenda items VII and VIII.

On September 16, 2015, a notice of public hearing was published in the Los Angeles Daily News. The hearing is to be held on October 7, 2015 regarding the formation of the CFD. 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 within the CFD. Details of the public hearing are further discussed in the staff report for agenda item VII. If no protests are made at the hearing, the Governing Board shall proceed, after the hearing, to adopt a resolution to form the CFD as discussed in the staff report for agenda item VIII.

If the Governing Board adopts the resolution to form the CFD, a special tax election must be held in order for the MRCA to levy taxes within the CFD. Details about the proposed special tax to be levied and the special tax election are discussed in the staff report agenda item IX.

A minimum two-thirds favorable vote of qualified voters within the CFD is required in order to levy the proposed special tax. Should the Governing Board adopt Resolution 15-151 calling for the special tax election, the election is to be held on October 7, 2015. If the majority of the qualified electors have voted in support of the CFD, then the Board may declare the results of the Special Tax Election and direct recording of the Special Tax lien through the attached resolution.

Upon the final approval of the formation of the CFD, a notice of special tax lien will be recorded with the Los Angeles County Recorder, resulting in a permanent lien on parcels within the CFD. The lien continues in perpetuity unless the Governing Board terminates the special tax obligation by later Board actions in accordance with the Act.

As the local agency administering the CFD, the Authority will have the obligation of providing annually the calculation of the special tax levy for a timely submission to the Los Angeles County Auditor-Controller of the information required for posting the special tax levy to the secured property tax roll of the County.