MEMORANDUM

TO: The Governing Board

FROM: Joseph T. Edmiston, FAICP, Executive Officer

DATE: May 2, 2018

SUBJECT: Agenda Item XV: Consideration of resolution calling a special tax election for Community Facilities District 2018-1 (Santa Susana Mountains).

Staff Recommendation: That the Governing Board adopt the attached resolution calling a special tax election for Community Facilities District 2018-1 (Santa Susana Mountains).

Background: On March 7, 2018, the Governing Board adopted Resolution 18-50 declaring its intention to establish Community Facilities District (CFD) No. 2018-1 (Santa Susana Mountains) as a result of development of Tentative Tract Map 53138 for 320 single-family homes in unincorporated Los Angeles County. The Mountains Recreation and Conservation Authority (MRCA) had negotiated an agreement requiring annual ongoing funding for open space maintenance and security services to a portion of the MRCA Property in the Santa Susana Mountains open spaces adjacent to the Tract 53138. The agreement requires the property owner to form a Community Facilities District (CFD) in order to provide an ongoing funding source.

On April 20, 2018, a notice of public hearing, including a summary of Resolution 18-50, was published in the Los Angeles Daily News. The hearing is to be held on May 2, 2018 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. Details of the public hearing are further discussed in agenda item XIII. 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 agenda item XIV.

Pursuant to Resolution 18-50, a Special Tax to fund the CFD shall be levied annually within the CFD in perpetuity. The levy of the Special Tax is subject to the approval of the qualified voters of the CFD at a special tax election to be held following the Governing Board’s adoption of a resolution to form the CFD. The
attached resolution authorizes this special tax election to take place in the event the Governing Board adopts the resolution to form a CFD.

In order to expedite the CFD formation process, the participating landowner, Forestar Chatsworth, has fully supported the process and has signed a petition, consent and waiver form waiving their right to protest at the public hearing and waiving any minimum time periods relative to the landowner election. Accordingly, the landowner has submitted their election ballot prior to May 2, 2018. If the attached resolution is approved, the Board Secretary, acting as the Election Official, will conduct the special tax election by opening the ballot envelope and canvassing the votes. The results of the votes will be announced after the election has taken place.

The CFD proposes for a special tax (Special Tax A) to be levied annually in perpetuity unless terminated earlier by the MRCA. Upon full build out of the Tract 53138, Special Tax A would provide for a maximum annual rate of $304.00 per parcel. A separate special tax (Special Tax B) will be levied annually as needed (ten years) to maintain the Plant Establishment Area to be owned or managed by the MRCA. Special Tax B would generate a maximum annual rate of $80.47 per parcel. Both special taxes would generate $123,030.

The maximum Special Tax A and maximum Special Tax B shall be increased annually, commencing July 1, 2019, 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.