



# MOUNTAINS RECREATION & CONSERVATION AUTHORITY

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## MEMORANDUM

TO: The Governing Board

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

DATE: July 11, 2018

SUBJECT: **Agenda Item VI(h): Consideration of resolution ordering levy of special taxes for Fiscal Year 2018-2019 within Community Facilities District No. 2015-1 (Sterling West Hills), Dayton Canyon, City of Los Angeles.**

Staff Recommendation: That the Governing Board adopt the attached resolution ordering levy of special taxes within Community Facilities District No. 2015-1 (Sterling West Hills), Dayton Canyon, City of Los Angeles.

Background: On October 7, 2015 the Governing Board established Community Facilities District No. 2015-1 (the "CFD") for the purpose of funding open space protection services for the Sterling West Hills Development. Also on October 7, 2015, the Governing Board ordered a special tax election on levying Special Taxes on taxable real property within the CFD. On October 7, 2015, the election on the levy of Special Taxes within the CFD was approved by the landowners within the CFD, receiving 100.00% support

The proceeds from the special taxes will be used for the purpose of maintaining open space, wildlife corridors, natural habitats, waters, basins, roads, landscaping, and related facilities to be financed and owned or managed by the Mountains Recreation and Conservation Authority, and incidental costs. The CFD special tax (Special Tax A) will be levied annually in perpetuity unless terminated earlier by the MRCA. A separate special tax (Special Tax B) will be levied annually as needed (five years) to maintain the Native Plant Establishment Area to be owned or managed by the MRCA.

In order to help ensure that the revenues from the Special Tax remain constant with the inflation-adjusted costs to fund ongoing services, administrative expenses and other related costs of the CFD, the Maximum Special Tax A and Maximum Special Tax B, shall be increased each July 1st, 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 such Maximum Special Tax in effect in the previous Fiscal Year.

Maximum Special Tax A and Maximum Special Tax B for fiscal year 2018-19 shall be increased by 3.00%, as the annual increase in the Los Angeles Area Consumer Price Index from December 2016 to December 2017 was 3.60%. Including the authorized annual adjustment the for fiscal year 2018-19, Maximum Special Tax A equates to \$1,478.66 per parcel, and the Maximum Special Tax B equates to \$731.98 per parcel on all taxable real property within the CFD for fiscal year 2018-19. With approval of this Resolution, the Governing Board authorizes the levy of Special Tax A at a rate of \$1,119.05 per parcel, and Special Tax B at a rate of \$0.00 per parcel on all taxable real property within the CFD for fiscal year 2018-19.

The special taxes shall be levied and collected by the County Tax Collector in the same manner, shall be subject to the same penalties and the same lien priority, and the same procedure and sale for delinquency, as for ad valorem taxes.