

MOUNTAINS RECREATION AND CONSERVATION AUTHORITY

July 29, 2020 – Agenda Item VIII

Resolution No. 20-86

RESOLUTION OF FORMATION OF THE GOVERNING BOARD OF THE MOUNTAINS RECREATION AND CONSERVATION AUTHORITY ESTABLISHING COMMUNITY FACILITIES DISTRICT NO. 2020-1 (Local Fire Prevention, Water Quality and Open Space Measure)

WHEREAS, the Governing Board (“Board”) of the Mountains Recreation and Conservation Authority (the “MRCA”) hereby adopts this resolution of formation establishing a community facilities district as follows:

WHEREAS, on June 27, 2012, the Board adopted Resolution 12-83, titled “Resolution of the Governing Board of the Mountains Recreation and Conservation Authority Adopting Local Goals and Policies for Community Facilities Districts,” pursuant to California Government Code Section 53311 et seq. (the “Act”) and on October 7, 2015 the Board adopted Resolution 15-139 amending said Local Goals and Policies; and

WHEREAS, the Board, as the legislative body of the MRCA, has determined that it is in the best interests of the MRCA to institute proceedings for the establishment of a community facilities district pursuant to the Act in order to finance the acquisition, maintenance, improvement, servicing, protection, and preservation of open space, parklands, wildlife corridors, natural or other lands and facilities owned or managed or maintained by the MRCA within the CFD, and the reduction of the risk of wildfires, (the “Services and Facilities”); and including administrative or incidental expenses thereto; and

WHEREAS, on June 24, 2020, the Board adopted Resolution 20-68 titled "Resolution of the Governing Board of the Mountains Recreation and Conservation Authority Declaring Intention to Establish Community Facilities District No. 2020-1" and on July 29, 2020 the Board adopted Resolution No. 20-85 titled “Resolution of the Governing Board of the Mountains Recreation and Conservation Authority Modifying Resolution Declaring Intention to Establish Community Facilities District 2020-1 and Approving Amended and Restated Description of Services and Rate and Method of Apportionment” (as amended, the "ROI"), pursuant to Section 53321 of the Act, in which it proposed to establish the Mountains Recreation and Conservation Authority Community Facilities District No. 2020-1 (Local Fire Prevention, Water Quality and Open Space) (the "CFD"); and

WHEREAS, the proposed boundaries of the CFD are as shown on the map attached hereto as Exhibit A, and incorporated herein, and which is also on file with the Clerk of the Board; and

WHEREAS, the public facilities and services proposed to be financed by the CFD are described in the document titled "Description of Services and Facilities to be Financed by the CFD," attached hereto as Exhibit B and incorporated herein; and

WHEREAS, except to the extent that funds are otherwise available to the CFD to pay for the Services and Facilities, a special tax (the "Special Tax") sufficient to pay the costs thereof, secured by recordation of a continuing lien against all nonexempt real property in the CFD, will be levied annually within the CFD for a period not to exceed ten (10) years, and collected in the same manner as ordinary ad valorem property taxes levied within the CFD. The rate and method of apportionment of the Special Tax are described in the document titled "Rate and Method of Apportionment of Special Tax," attached hereto as Exhibit C and incorporated herein; and

WHEREAS, the MRCA published notice of a public hearing to be held on July 29, 2020, in compliance with Section 53322 of the Act regarding the proposed formation of the CFD; and

WHEREAS, if the Board proceeds with formation of the CFD, the Special Tax shall be submitted to a vote of the registered voters within the proposed CFD in the next general election or special election, in accordance with Section 53326 of the Act. Each voter shall have one vote; and

WHEREAS, the Board received a report containing a brief description of the types of Services and Facilities required to adequately meet the needs of the CFD, pursuant to Section 53321.5 of the Act, and a copy of which is on file with the Clerk of the Board.

NOW, THEREFORE, BE IT RESOLVED:

1. The foregoing recitals are true and correct.
2. The Board has determined that all proceedings undertaken by the MRCA in connection with the establishment of the CFD and the levy of the Special Tax are valid and in conformity with the applicable provisions of the Act. Pursuant to Section 53325.1 of the Act, the Board's finding in this regard is final and conclusive.
3. The proposed Special Tax to be levied within the CFD has not been precluded by majority protest pursuant to Section 53324 of the Act.

4. The community facilities district named "Mountains Recreation and Conservation Authority Community Facilities District No. 2020-1 (Local Fire Prevention, Water Quality and Open Space)," is hereby established pursuant to Section 53325.1 of the Act.
5. The public facilities and services proposed to be financed by the CFD are described in Exhibit B hereto.
6. The office responsible for annual preparation of a current roll of special tax levy obligations by assessor's parcel number and for estimating future Special Tax levies within the CFD shall be the Executive Officer of the MRCA at 570 West Avenue 26, Suite 100, Los Angeles, California 90065, (323) 221-9944.
7. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the Streets and Highways Code of California, a continuing lien to secure each levy of the Special Tax shall attach to all nonexempt real property in the CFD and this lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien canceled in accordance with law or until collection of the tax by the MRCA ceases. In summary, this provision means that owners of developed property will be required to pay the special tax of \$68.00 per parcel per year for a period of not more than 10 years, if the special tax is approved by voters.
8. The boundary map of the proposed CFD was recorded in the Los Angeles County Recorder's Office on June 30, 2020 as Document No. 20200713650 in book 195 page 58 Book of Maps of Assessments of Community Facilities Districts.
9. Pursuant to the provisions of the Act, the proposition of the levy of the Special Tax shall be submitted to the qualified electors of the CFD at an election, the time, place and conditions of which shall be as specified by a separate resolution of the Board.

Chair

AYES:

NOS:

ABSTAIN:

ABSENT:

I HEREBY CERTIFY that the foregoing resolution was adopted at a special meeting of the governing board of the Mountains Recreation and Conservation Authority, duly noticed and held according to law, on the 29th day of July, 2020.

Date: 7/29/20

Executive Officer

EXHIBIT A
MAP OF PROPOSED BOUNDARIES
MOUNTAINS RECREATION AND CONSERVATION AUTHORITY
Community Facilities District No. 2020-1
(Local Fire Prevention, Water Quality and Open Space)

BOOK 195 PAGE 58

<p>CLERK'S MAP FILING STATEMENT</p> <p>FILED IN THE OFFICE OF THE CLERK OF THE BOARD OF THE MOUNTAINS RECREATION AND CONSERVATION AUTHORITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, THIS <u>24TH</u> DAY OF <u>JUNE</u>, 2020.</p> <p>_____ CLERK OF THE BOARD</p>	<p>CLERK'S MAP CERTIFICATE</p> <p>I DO HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2020-1, MOUNTAINS RECREATION AND CONSERVATION AUTHORITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF DIRECTORS OF THE MOUNTAINS RECREATION AND CONSERVATION AUTHORITY AT A MEETING THEREOF, HELD ON THE <u>24TH</u> DAY OF <u>JUNE</u>, 2020, BY ITS RESOLUTION NO. <u>20-27</u>.</p> <p>_____ CLERK OF THE BOARD</p>	<p>RECORDER'S CERTIFICATE</p> <p>FILED THIS _____ DAY OF _____, 2020 AT THE HOUR OF _____ O'CLOCK _____ M. IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE _____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.</p> <p>_____ COUNTY RECORDER, COUNTY OF LOS ANGELES</p>
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Legend

- Community Facilities District No. 2020-1 Boundary
- Major Roads
- Streets

06/30/2020

20200713650

COPY of Document Recorded

NOTE: REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY OF LOS ANGELES FOR A DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCELS SHOWN HEREIN. THOSE MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH PARCELS. EACH PARCEL IS IDENTIFIED IN SAID MAPS BY ITS DISTINCTIVE ASSESSOR'S PARCEL NUMBER.

**PROPOSED BOUNDARIES OF
COMMUNITY FACILITIES DISTRICT NO. 2020-1 OF THE
MOUNTAINS RECREATION AND CONSERVATION AUTHORITY,
CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA**

Sheet 1 of 1 (Local Fire Prevention, Water Quality and Open Space)

SCI Consulting Group
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Fairfield, CA 94534
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EXHIBIT B

**AMENDED DESCRIPTION OF SERVICES AND FACILITIES
TO BE FINANCED BY THE CFD**

**MOUNTAINS RECREATION AND CONSERVATION AUTHORITY
Community Facilities District No. 2020-1
(Local Fire Prevention, Water Quality and Open Space)**

The services and facilities described below are proposed to be financed by Community Facilities District No. 2020-1 (the "CFD") of the Mountain Recreation and Conservation Authority (the "MRCA"):

The types of services and facilities to be financed by the CFD ("Services and Facilities") shall include maintenance, improvement, servicing, protection, preservation and acquisition, of open space, natural or other lands and facilities owned or managed or maintained by the MRCA within the CFD; park ranger patrols and services; the reduction of the risk of wildfires including fire protection, prevention and suppression and brush clearing; the collection and accumulation of reserves for the maintenance, improvement, servicing, protection, preservation and acquisition, of open space, natural or other lands and facilities owned or managed by the MRCA within the CFD; including administrative or incidental expenses thereto.

"Improvements," as used herein, means facilities, buildings, fixed equipment, trails, roads, parking lots, wildlife corridors and other man-made structures on or alterations to lands owned or managed or maintained by the MRCA and flora, landscaping, trees, vegetation, habitat and fauna on lands owned or managed or maintained by the MRCA.

"Maintenance," as used herein, means the furnishing of services and materials for the routine, recurring, and usual work for the preservation or protection of Improvements and Services and Facilities for their intended purposes. Maintenance includes, but is not limited to, the repair, removal or replacement of all or any part of any Improvements; providing for the life, growth, health, and beauty of landscaping, trees and vegetation, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; the removal of trimmings, rubbish, debris, and other solid waste; the cleaning, sandblasting, and painting of walls and other structural Improvements to remove or cover graffiti, fire

EXHIBIT B

prevention services, homeless encampment remediation and other safety and security services.

"Servicing," as used herein, means the furnishing of electric current, gas, or other form of energy for any public lighting facilities or for the lighting or operation of any other Improvements; and water for uses including, but not limited to, the irrigation of any landscaping, the operation of any fountains, or the Maintenance of any other Improvements.

EXHIBIT B

EXHIBIT C

AMENDED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

MOUNTAINS RECREATION CONSERVATION AUTHORITY Community Facilities District No. 2020-1 (Local Fire Prevention, Water Quality and Open Space)

This document defines the rate and method of apportionment for an annual special tax (the "Special Tax") proposed to be collected by the Mountains Recreation and Conservation Authority (the "MRCA") to be used to maintain, improve, acquire, protect and preserve open space and natural lands owned or managed by the MRCA.

If approved by voters, the Special Tax, determined as shown below, may be levied annually by the Governing Board (the "Board") of the Mountains Recreation and Conservation MRCA within the boundaries of Community Facilities District No. 2020-1 (the "CFD"):

A. DEFINITIONS

"Developed Property" means real property with improvements for residential, commercial or other purposes.

"Exempt Parcel" means a Developed Parcel owned and occupied by a person or persons whose combined family income is at or below 50% of the median family income for the Los Angeles-Long Beach-Glendale, CA United States Department of Housing and Urban Development Metro Fair Market Rents Area shall be exempt from the special tax. Property owners seeking a low-income exemption must submit an application and provide the required verification documentation by June 1 prior to the tax year. The Board shall establish administrative procedures for the administration of this exemption.

"Fiscal Year" means the period starting July 1 and ending the following June 30.

"Non-Taxable Property" means real property not subject to property taxation.

"Undeveloped Property" means real property without improvements which is designated as vacant by the County Assessor as of July 1 of the current Fiscal Year.

EXHIBIT C

B. PROPERTY CATEGORIES AND ANNUAL SPECIAL TAX RATES

Each property within the CFD shall be classified, as of July 1 of the Fiscal Year, into one of the following property uses, and the Special Tax shall be levied as set forth below:

1. Developed Property: Maximum of \$68.00 per parcel
2. Undeveloped Property: No Special Tax
3. Non-Taxable Property: No Special Tax

The Special Tax listed above shall be levied annually beginning in Fiscal Year 2021-22 for a period not to exceed 10 years.

C. LIMITATIONS

The per parcel maximum established above shall not be increased over time. The Special Tax shall not be collected after Fiscal Year 2030-2031, except for any amount that remains delinquent in subsequent years. Under no circumstances will the Special Tax levied in a Fiscal Year against any parcel be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within the CFD by more than 10 percent above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

D. COLLECTION OF THE SPECIAL TAX

The Special Tax shall be collected each Fiscal Year in the same manner and at the same time as ad valorem property taxes are collected and in the case of delinquency, shall be subject to the same penalties and lien priorities that apply to ad valorem taxes levied within the CFD. The MRCA intends that the Special Tax be included in the County Auditor's annual billing for ad valorem taxes.

E. CITIZEN'S OVERSIGHT AND ACCOUNTABILITY PROVISIONS

The proceeds of the Special Tax shall be only used to maintain, improve, acquire, protect and preserve open space and natural lands owned or managed by the MRCA; to reduce the risk of wildfires; and for administrative costs for the collection and use of the Special Taxes. The proceeds of the Special Tax shall be deposited into a fund, which shall be kept separate and apart from other funds of the MRCA. No later than January 1 of the following Fiscal Year for which the Special Tax is in effect, the MRCA shall prepare a report, for review and approval of the Board, detailing the amount of funds collected and expended, and the status of any project authorized to be funded by the Special Tax.

In addition, an advisory committee of citizens shall be appointed or designated by the Board to ensure that the Special Tax proceeds are spent for their authorized purposes, and to report annually to the Board and the public regarding the expenditure of such funds. The Board shall establish the composition and duties of the advisory committee and shall make all necessary appointments so that the advisory committee may convene within 6 months following the election authorizing the Special Tax.

F. APPEALS AND INTERPRETATION PROCEDURE

Any property owner within the CFD who believes that the portion of the Special Tax levied on the subject property is in error, may file a written appeal no later than June 30 of the Fiscal Year in which the levy occurred, with the Executive Officer or his or her designee, appealing the levy of the Special Tax on the subject property. The Executive Officer or his or her designee will promptly review the appeal, and, if necessary, meet with the applicant, and decide the merits of the appeal. If the findings of the Executive Officer or his or her designee verify that the Special Tax levied should be modified, the Special Tax levy for future Fiscal Years shall be corrected, and a credit against future Special Taxes shall be arranged, if applicable. Any dispute over the decision of the Executive Officer or his or her designee shall be referred to the Board and the decision of the Board shall be final.