



CITY OF CARSON

Legislation Text

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Report to Mayor and City Council

Wednesday, November 03, 2021

Consent

SUBJECT:

CONSIDERATION OF: (1) RESOLUTION NO. 21-133, GRANTING CONSENT AND JURISDICTION TO LOS ANGELES COUNTY IN THE MATTER OF COUNTY LIGHTING MAINTENANCE DISTRICT 1697 AND COUNTY LIGHTING DISTRICT LANDSCAPING AND LIGHTING ACT-1, CARSON ZONE, CITY OF CARSON, PROJECT NO. 32-37A (L 155-0A) ; AND (2) RESOLUTION NO. 21-134, APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM ANNEXATION OF PROJECT NO. 32-37A (L 155-0A) TO COUNTY LIGHTING MAINTENANCE DISTRICT 1697 (CITY COUNCIL)

I. SUMMARY

The County of Los Angeles Department of Public Works has submitted a resolution to the City of Carson granting consent and jurisdiction to the County of Los Angeles to annex an area of the City to Lighting Maintenance District No. 1697 and County Lighting District LLA-1 (Exhibit No. 1). A joint resolution between the County of Los Angeles and the City of Carson (and various other taxing agencies) approving and accepting the negotiated exchange of property tax revenues (Exhibit No. 2) resulting from these annexations is also submitted for consideration. The County of Los Angeles is requesting that the City adopt these resolutions to reflect the proposed annexation as it applies to locations within the City (Exhibit No. 3).

II. RECOMMENDATION

TAKE the following actions:

1. WAIVE further reading and ADOPT Resolution No. 21-133 "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, GRANTING CONSENT AND JURISDICTION TO LOS ANGELES COUNTY IN THE MATTER OF COUNTY LIGHTING MAINTENANCE DISTRICT 1697 AND COUNTY LIGHTING DISTRICT LANDSCAPING AND LIGHTING ACT-1, CARSON ZONE, CITY OF CARSON, PROJECT No. 32-37A

(L155-0A).”

2. WAIVE further reading and ADOPT Resolution No. 21-134 “A JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, THE BOARD OF TRUSTEES OF THE GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT, THE BOARD OF DIRECTORS OF THE COUNTY SANITATION DISTRICT NO. 8 OF LOS ANGELES COUNTY, THE CITY COUNCIL OF THE CITY OF CARSON, AND THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM ANNEXATION OF PROJECT No. 32-37A (L155-0A) TO COUNTY LIGHTING MAINTENANCE DISTRICT 1697.”

III. ALTERNATIVES

1. DENY the proposed annexation, however, denying the proposed annexation will obligate the City to pay 100% of the operation and maintenance cost of the streetlight.
2. TAKE another action the City Council deems appropriate, consistent with the requirements of the law.

IV. BACKGROUND

As part of the conditions of approval established by the City for various developments within the City, developers have been required to annex their properties to CLMD, allowing the County to provide funds for the operation and maintenance of existing street lights in the public right-of-way. The projects, located at 117 E. 223rd and 22222 Main Street, are being processed by the County of Los Angeles Department of Public Works for annexation to County Lighting Maintenance District (CLMD) 1697 and County Lighting District LLA-1. Since this area is within the boundary of the City of Carson, permission from the City is required to accomplish annexation.

The procedure requires the City to adopt a negotiated tax exchange resolution to proceed with annexation into the lighting district. For all new annexations into a County administered CLMD, the procedure requires processing the exchange of property tax revenues with all non-exempt taxing agencies, including the City of Carson. Under Section 99.01 of the Revenue and Taxation (R&T) Code, special districts providing new services to an area as a result of a jurisdictional change are entitled to a share of the annual tax increment generated in the area being annexed. CLMD 1697 is defined under Section 95(m) of the R&T Code as a special district. CLMD 1697’s share of the annual tax increment is to be taken from all of the other local taxing agencies providing services within the annexed area, with the exception of school entities which are exempted by law. The approving bodies of the local taxing agencies providing services are the following: The Board of Supervisors of the County of Los Angeles; the Board of Trustees of the greater Los Angeles County

Vector Control District; the Board of Directors of the County Sanitation District No. 8 of Los Angeles County (County Sanitation District No. 8); the City Council of the City of Carson, California; and the Board of Directors of the Water Replenishment District of Southern California.

This annexation will formalize the City's obligation to allocate a portion of the property tax revenue to CLMD 1697, and Los Angeles County's obligation to provide funds for the operation and maintenance of the installed street lights. Currently, the property tax share percentage for the City of Carson is 6.877%. From this tax share percentage, the City would allocate 0.0754% to CLMD 1697. The City's net property tax share would then be 6.802%.

The City's tax share percentage was calculated using the formula approved by both the Auditor-Controller and the County Counsel. The pro-rata reduction in the property tax share percentage for the rest of the agencies providing services is shown on the Property Tax Transfer Resolution Worksheet for project 32-37A (L155-0A), Tax rate area 13283 (Exhibit No. 4). A typical single-family home located within the CLMD is assessed a \$35.00 annual base rate, and a typical commercial lot is assessed a \$175 annual base rate in the Carson Zone. This assessment will be levied to the property tax bill received by the property owner every year. This annexation request is standard procedure and must be completed so that funds can be provided to CLMD 1697 for the operation and maintenance of the existing street lights.

The County has prepared the two proposed resolutions as discussed above. Staff requests that the City Council adopt these resolutions to allow the Board of Supervisors of the County of Los Angeles funding approval to be concurrent with the Board's approval of the annexation itself.

City staff concurs with the request of the County of Los Angeles Department of Public Works as shown on the attached letter of recommendation dated August 2nd, 2021 (Exhibit No. 5) and recommends that the City Council adopt these resolutions.

V. FISCAL IMPACT

The cost for the operation and maintenance of streetlights located within a CLMD are primarily funded by ad valorem property tax. The collection of property tax revenues has allowed CLMD 1697 to maintain a \$35 annual base assessment rate for a single-family home within the Carson Zone. Assessment for commercial properties is proportionally higher. The City will contribute 0.0756% of the property tax share from the annexed assessor's parcels to CLMD 1697. The remaining 6.801% balance would be transmitted to the City's general fund.

VI. EXHIBITS

1. Resolution No. 21-133 (pgs. 4-6)
2. Resolution 21-134 (pgs. 7-9)

3. Location Map (pg. 10)
4. Letter from the County of Los Angeles dated Aug. 2, 2021 (pgs. 11-13)
5. Property Tax Transfer Resolution Worksheet (pgs. 14-17)

1.

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