

BUDGET AND FINANCE COMMITTEE REPORT and RESOLUTION relative to approval and acceptance of the negotiated exchange of property tax revenue resulting from the Negotiated Annexation 2013-06 to the City of Los Angeles (Jordan Downs).

Recommendation for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

ADOPT the accompanying proposed revised joint RESOLUTION approving and accepting the negotiated exchange of property tax revenues resulting from the annexation of territory known as Annexation 2013-06 (Jordan Downs Project).

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is a positive impact to the General Fund directly attributable to the property tax transfer of approximately \$58,550 which may offset the initial fiscal and service impacts to the City as a result of the proposed boundary adjustments.

Community Impact Statement: None submitted.

SUMMARY

At its meeting of September 15, 2014, the Budget and Finance Committee considered a CAO report relative to approval and acceptance of the negotiated exchange of property tax revenue resulting from the Negotiated Annexation 2013-06 to the City of Los Angeles (Jordan Downs). The CAO reports that the City initiated proceedings with the Los Angeles Formation Commission for the County of Los Angeles (LAFCO) in February 2010 to annex approximately 41.72 acres involving a contiguous area of unincorporated, uninhabited County territory to the City. The City and the Housing Authority of the City of Los Angeles (HACLA) state that if approved the annexation will: 1) create a logical boundary among the County of Los Angeles and the cities of Los Angeles, Lynwood and South Gate; 2) provide additional land for HACLA to redevelop the Jordan Downs Housing Complex; and, 3) provide for land uses to accommodate a mix of residential, commercial and industrial opportunities.

The CAO further reports that the boundary adjustment process as overseen by LAFCO requires that a joint resolution for property tax revenue exchange (TTR) be adopted by each affected local agency and the County before the County can approve the boundary adjustments. Specifically, the law requires that the local governing body approve by resolution the amount of the annual tax increment to be transferred to pay for additional services rendered by the new respective agency. The TTR drafted by the County and transmitted by its Chief Executive Office is included as Attachment 1 of the CAO report, along with map depicting the annexed Project areas (Attachment 2).

During Committee discussion, representatives of the CAO and HACLA provided an overview of the matter and responded to related questions from Committee members. The CAO representative submitted a revised resolution for approval. After further consideration and having provided an opportunity for public comment, the Budget and Finance Committee recommended that Council approve the revised Resolution. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
ENGLANDER:	ABSENT
KORETZ:	ABSENT
BLUMENFIELD:	YES
BONIN:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-