



Office of the Los Angeles City Attorney  
Hydee Feldstein Soto

REPORT NO. R 23 - 0 2 9 9  
AUG 14 2023

**REPORT RE:**

**DRAFT ORDINANCE LEVYING TAXES AND SETTING THE TAX RATES  
FOR SEVERAL INTEREST AND SINKING FUNDS FOR  
BONDED INDEBTEDNESS OF THE CITY FOR THE FISCAL YEAR  
BEGINNING JULY 1, 2023, AND ENDING JUNE 30, 2024**

The Honorable City Council  
of the City of Los Angeles  
Room 395, City Hall  
200 North Spring Street  
Los Angeles, California 90012

**Honorable Members:**

This Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality, in conjunction with the Office of the Controller's report dated August 10, 2023 (Council File No. 23-0834). The draft ordinance provides for the levying of taxes and the setting of the tax rates for interest and sinking funds for several series of general obligation bonds the City previously issued.

The draft ordinance, which is prepared on a yearly basis by the Controller, calculates the tax rate based upon the expected debt service associated with the series of bonded indebtedness listed in the draft ordinance for the fiscal year. This tax is billed and collected by the County of Los Angeles on behalf of the City in conjunction with the billing and collection of real property taxes. Charter Section 331 requires the City Council to adopt an ordinance levying on the assessed valuation of the property in the City a rate of tax upon each \$100 of valuation. The County of Los Angeles requires the receipt of the adopted and executed ordinance by August 28, 2023.



### Background

The City has nine series of outstanding general obligation bond issuances. The outstanding bonds are listed on page 4 of the enclosed draft ordinance. The voter approval that authorized the issuances of these general obligation bonds included the authorization to levy an *ad valorem* property tax in order to pay the principal, premium (if any), and interest due on each of the bonds.

The Controller has determined that, for the fiscal year 2023-24, the rate should be set at \$0.011448 (1.1448 cents) upon each \$100 of assessed valuation of taxable property located within the limits of the relevant taxing districts. These taxing districts are set forth on pages 1 through 4 of the enclosed draft ordinance.

Charter Section 331 requires, in part, that the City Council adopt the draft ordinance levying taxes by the last day of the month in which the data is received. The Controller received the data on August 7, 2023.

### Charter Section 331

Charter Section 331 reads as follows:

“Not earlier than the month of June, but not later than the last day of the month in which the statement of property valuations within the City as required by law is received, the Council shall adopt an ordinance levying upon the assessed valuation of the property in the City, in accordance with the provisions of law, a rate of taxation upon each one hundred dollars (\$100) of valuation, which, with the amounts, if any, transferred from the Reserve Fund in or for the current fiscal year subsequent to the adoption of the annual budget and the amount estimated to be received from fines, licenses and other sources of revenue, will be sufficient to raise the amount appropriated in the annual budget.”

### Council Rule 38 Referral

A copy of the draft ordinance has been sent, pursuant to Council Rule 38, to the Office of the Controller with a request that any comments be directed to the City Council at the time this matter is heard.

If you have any questions regarding this matter, please contact Deputy City Attorney Charles Hong at (213) 978-7782. A member of this Office will be available when you consider this matter to answer questions you may have.

Sincerely,

HYDEE FELDSTEIN SOTO, City Attorney



By VALERIE L. FLORES  
Chief Assistant City Attorney

VLF:CSH:vw  
Transmittal