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COUNTY OF LOS ANGELES

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, CA 90012
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Chief Executive Officer

Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

33 May 7, 2024

JEFF LEVINSON
INTERIM EXECUTIVE OFFICER

May 07, 2024

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

JOINT RESOLUTION BETWEEN THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AND THE CITY COUNCIL OF THE CITY OF DUARTE APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM THE ANNEXATION OF UNINCORPORATED TERRITORY KNOWN AS ANNEXATION 2023-07 TO THE CITY OF DUARTE (CITY OF DUARTE ANNEXATION NO. 2023-07) (FIFTH DISTRICT) (3-VOTES)

SUBJECT

This action is to adopt the Joint Resolution for the negotiated exchange of property tax revenue associated with the annexation of Los Angeles County (County) unincorporated territory to the City of Duarte.

IT IS RECOMMENDED THAT THE BOARD:

Approve and adopt the attached Joint Resolution between the Board of Supervisors (Board) and the City Council of the City of Duarte (City) based on the negotiated exchange of property tax revenue, related to the proposed annexation 2023-07 of approximately 19+ acres of inhabited unincorporated territory generally located north of Royal Oaks Drive between Braewood Drive and Woodlyn Lane, in County unincorporated territory adjacent to the City.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The subject territory for the proposed annexation consists entirely of the Royal Oaks Senior multi-family rental community. The site is surrounded by single family residential uses in the City of Bradbury to the North, West, East, and Royal Oaks Drive North, and single-family residential uses in the City on the South. The County currently has responsibility for maintaining this portion of

roadway. The proposed annexation would provide for a logical extension of City boundaries, as well as clarify maintenance responsibilities for the roadway and parkway landscaping and permitting. Based on these factors, on February 13, 2024, the City adopted the attached Joint Resolution providing for the negotiated exchange of property tax revenue resulting from the proposed annexation of approximately 19+ acres of inhabited, unincorporated territory.

In order for the Local Agency Formation Commission (LAFCO) of the County to proceed with the required hearings on the proposed annexation, your Board, as governing body of the County and County Road Maintenance District No. 5 (RMD No. 5), must also adopt the Joint Resolution.

FISCAL IMPACT/FINANCING

The adopted resolution will transfer zero dollars in base property tax revenue from the County General Fund to the City and will transfer a share of the annual tax increment approximately 0.067446216 of the annual property tax increment from the County to the City, as indicated in the Joint Resolution. An adjustment will be made to the County budget in the fiscal year following the filing of the statement of boundary change for Annexation 2023-07 with the California State Board of Equalization.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Title 5, Division 3, of the California Government Code, commencing with section 56000, HumanGood SoCal dba Royal Oaks filed an application with LAFCO on May 25, 2023, to initiate proceedings for the annexation of approximately 19+ acres of inhabited, unincorporated County territory to the City.

Section 99 of the Revenue and Taxation Code (R&T Code) requires that prior to the scheduling of annexation proceedings at LAFCO, the governing bodies of all agencies whose service area or service responsibilities will be altered by such change must negotiate a reallocation of property tax revenue between the affected agencies and approve and accept such reallocation by resolution. The City adopted the negotiated Joint Resolution for the subject annexation as required by section 99 of the R&T Code on February 13, 2024.

The proposed territory to be annexed is currently under the County's RMD No. 5. Upon annexation of the territory to the City, the territory will be detached from County RMD No. 5.

Adoption of the Resolution by your Board will allow LAFCO to schedule the required public hearing to consider testimony on the proposed annexation. LAFCO will subsequently take action to approve, approve with changes or disapprove the proposal.

The Joint Resolution has been approved as to form by County Counsel.

PREVIOUS ACTION

On February 28, 2023, your Board approved a resolution for annexation to the City of Bradbury of 0.66 acres of Royal Oaks Drive North. However, that proposal included only the roadway and did not include the Royal Oaks senior community. LAFCO is responsible for final decisions on annexations, and LAFCO did not approve the Bradbury proposal. The annexation to Duarte, including the senior community, will eliminate an unincorporated island. The Duarte proposed annexation, upon approval by the Board, will be presented to LAFCO for approval at a future

hearing. Your Board's prior approval of the Bradbury resolution will not preclude LAFCO from considering the proposal from Duarte.

ENVIRONMENTAL DOCUMENTATION

The proposed project is not a project pursuant to the California Environmental Quality Act (CEQA) because it is an activity that is excluded from the definition of a project by section 15378(b) of the State CEQA Guidelines. The proposed action is the creation of a government funding mechanism, a fiscal activity which does not involve any commitment to any specific project, which may result in a potentially significant physical impact on the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Upon the effective date of the annexation, the City will become responsible for providing roadway maintenance services to the area within its jurisdiction. In addition, the City shall become the National Flood Insurance Program (NFIP) administrator and responsible for compliance with any NFIP requirements for projects within the annexation area.

CONCLUSION

At such time as the recommendation is approved by your Board, please return one copy of this letter and five signed originals of the Resolution to LAFCO, one copy of this letter and one signed original of the Resolution to the Chief Executive Office, Office of Unincorporated Area Services, and one copy of the letter and Resolution to the Auditor-Controller, Tax Division.

The Honorable Board of Supervisors

5/7/2024

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Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Fesia A. Davenport', written in a cursive style.

FESIA A. DAVENPORT

Chief Executive Officer

FESIA A. DAVENPORT

Chief Executive Officer

FAD:JMN:MM

AG:pp

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Sheriff
Auditor-Controller
Assessor
Fire
LA County Library
Public Works
Regional Planning
City of Duarte

**JOINT RESOLUTION BETWEEN THE BOARD OF SUPERVISORS OF THE
COUNTY OF LOS ANGELES AND THE CITY COUNCIL OF THE
CITY OF DUARTE APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF
PROPERTY TAX REVENUE RESULTING FROM THE ANNEXATION OF TERRITORY
KNOWN AS ANNEXATION NO. 2023-07 TO THE CITY OF DUARTE AND WITHDRAWAL
FROM COUNTY ROAD DISTRICT NO. 5**

WHEREAS, pursuant to Section 99 of the Revenue and Taxation Code, for specified jurisdictional changes, the governing bodies of affected agencies shall negotiate and determine the amount of property tax revenue to be exchanged between the affected agencies; and

WHEREAS, the Board of Supervisors of the County of Los Angeles, as governing body of the County, and the County of Los Angeles Road District No. 5, and the City Council of the City of Duarte have determined that the amount of property tax revenue to be exchanged among their respective agencies as a result of the proposal identified as Annexation No. 2023-07 to the City of Duarte, which includes the annexation of approximately 19+ acres of inhabited territory located in the County of Los Angeles, is as set forth below; and

WHEREAS, upon annexation of the proposed area to the City of Duarte, the territory shall be withdrawn from the County Road District No. 5; and

WHEREAS, the area identified for annexation of territory is shown in the attachment.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

The negotiated exchange of property tax revenues between the County of Los Angeles, CFPD, the City of Duarte, resulting from Annexation No. 2023-07 to the City of Duarte is approved and accepted.

A. Annexation of Territory to the City of Duarte:

1. The negotiated exchange of property tax revenues between the County of Los Angeles and the City of Duarte, resulting from the proposal identified as Annexation 2023-07 to the City of Duarte is approved and accepted for the annexation area within Tax Rate Area 03386.

2. For the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2023-07 to the City of Duarte with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, property tax revenue received by County Road District No. 5, attributable to Annexation 2023-07 to the City of Duarte, shall be transferred to the County, and the County Road District No. 5 share in the annexation area shall be reduced to zero.


3. For the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2023-07 to the City of Duarte with the Board of Equalization pursuant to Government Code sections 54902 and 57204, a base of Zero Dollars (\$) in property tax revenue, and .067446216 of the annual property tax increment, attributable to Annexation No. 2023-07 to the City of Duarte shall be transferred from the County of Los Angeles to the City of Duarte.

4. The City of Duarte acknowledges that from and after the effective date of Annexation No. 2023-07, the City will be responsible for the enforcement of flood plain management regulations within the area annexed by the City and shall assume responsibility for administering compliance with the National Flood Insurance Program in connection with the area annexed by the City of Duarte.


5. Within thirty (30) days of the recordation of the Certificate of Completion, the City of Duarte shall notify all public utilities as defined in section 216 of the California Public Utilities Code that are providing service (including, but not limited to, providers of electricity, retail water, natural gas, and telecommunications) in the affected territory subject to the City's jurisdiction that the public utilities are required to make necessary changes to impacted customer accounts within ninety (90) days of the recordation of the Certificate of Completion consistent with Government Code Section 56886.1, including adjustments or cessation in payment of the Utility User Tax resulting from such annexation, when applicable.

PASSED, APPROVED AND ADOPTED this 13th day of February, 2024 by the following vote:

- AYES: FINLAY, KANG, LEWIS, MARTIN DEL CAMPO, TRUONG
- ABSENT: SCHULZ
- NOES: NONE
- ABSTAIN: GARCIA



Mayor
City of Duarte

ATTEST:


City Clerk
City of Duarte

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(Signed in Counterpart)

The foregoing resolution was on the 7th day of May, 2024, adopted by the Board of Supervisors of the County of Los Angeles and ex officio as the governing body of all other agencies, authorities, and districts, including special assessment and taxing districts, referenced in this resolution for which said Board so acts.



JEFF LEVINSON
Interim Executive Officer,
Clerk of the Board of Supervisors,
County of Los Angeles

By *Maria Oleada*
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By *DA Harrison*
Deputy

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STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF DUARTE)

I, Annette Juarez, City Clerk of the City of Duarte, County of Los Angeles, State of California, hereby attest to the above signature and certify that the Joint Resolution between the Board of Supervisors of the County of Los Angeles and the City Council (Resolution No. 24-02) was adopted by the City Council of said City of Duarte at a regular meeting of said City Council held on the 13th day of February 2024, by the following vote:

AYES: FINLAY, KANG, LEWIS, MARTIN DEL CAMPO, TRUONG
NOES: NONE
ABSTAIN: GARCIA
ABSENT: SCHULZ



Annette Juarez
City Clerk