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COUNTY OF LOS ANGELES

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, CA 90012
(213) 973-1101 ceo.lacounty.gov

INTERIM CHIEF EXECUTIVE OFFICER

Joseph M. Nicchitta

"To Enrich Lives Through Effective and Caring Service"

May 12, 2026

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, THE CITY COUNCIL OF THE CITY OF LOS ANGELES, AND THE BOARD OF
DIRECTORS OF THE WEST BASIN MUNICIPAL WATER DISTRICT, APPROVING AND
ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE RESULTING
FROM THE ANNEXATION OF UNINCORPORATED TERRITORY KNOWN AS
REORGANIZATION NO. 2021-11 TO THE CITY OF LOS ANGELES
(SECOND DISTRICT) (3-VOTES)**

SUBJECT

This action is to adopt the Joint Resolution for the Negotiated Exchange of Property Tax Revenue (Joint Resolution) associated with the annexation involving the detachment of unincorporated territory from the County of Los Angeles (County) and the annexation of said territory to the City of Los Angeles (City).

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed Joint Resolution is not subject to the provisions of the California Environmental Quality Act (CEQA) because the proposed actions do not meet the definition of a project for the reasons stated herein and the reasons reflected in the record.
2. Adopt the attached Joint Resolution between the Board of Supervisors (Board), as the governing body of the County, Consolidated Fire Protection District, and on behalf of the LA County Library and Road District No. 3; the City Council of the City; the Board of Directors of the West Basin Municipal Water District, based on the negotiated exchange of property tax revenue as a result of the proposed Reorganization No. 2021-11, to annex approximately 0.64± acres of inhabited territory to the City.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The City Council of the City and the Board of Directors of the West Basin Municipal Water District have adopted the Joint Resolution based on the negotiated exchange of property tax revenue resulting from the proposed annexation of unincorporated territory to the City. The territory consists of 0.64± acres of inhabited territory located south of the intersection of Beverly Boulevard and Genesee Avenue, in unincorporated County area adjacent to the City. The affected territory (Gilmore Island) is part of a larger 25-acre property, which is owned by a single entity. The affected territory is currently an island of unincorporated County area. All other portions of the property and the surrounding area are located in the City; as such, the proposed annexation is necessary to put the entire property under one jurisdiction, ensuring that government services in the affected territory are consolidated.

In order for the Local Agency Formation Commission (LAFCO) for the County to proceed with the required hearings on the proposed annexation, the Board, as the governing body of the County, the Consolidated Fire Protection District, and on behalf of the LA County Library and Road District No. 3, must adopt the Joint Resolution.

Implementation of Strategic Plan Goals

These actions support the County's Strategic Plan North Star 3 — Realize Tomorrow's Government Today — by strengthening our internal controls and processes while being cognizant of efficiency to continue good stewardship of the public trust and fiscal responsibility.

FISCAL IMPACT/FINANCING

The adopted Joint Resolution will transfer \$18,506 in base property tax revenue and 0.272305566 of the annual property tax increment in the affected Tax Rate Area from the County's General Fund to the City, as contained in the Joint Resolution. The adjustment to the County's base will be made in the fiscal year following the filing of the statement of boundary change for Reorganization No. 2021-11 with the California State Board of Equalization.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Part 3, Title 5 of the California Government Code, commencing with section 56000, the City adopted a resolution and filed an application with LAFCO to initiate proceedings for annexation of the subject territory to the City.

Section 99 of the California Revenue and Taxation Code (R&T Code) requires that prior to the effective date of any jurisdictional change, the governing bodies of all agencies whose service area, or service responsibilities will be altered by such change must address the fiscal impacts of the proposed annexation by negotiating a reallocation of property tax revenue between the affected agencies and approve and accept such reallocation by resolution. The City Council of the City, and the Board of Directors of the West Basin Municipal Water District have adopted the negotiated Joint Resolution, as required by section 99 of the R&T Code.

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

County Counsel has reviewed the Joint Resolution and has approved as to form.

ENVIRONMENTAL DOCUMENTATION

The proposed actions are not projects pursuant to CEQA, because they are activities excluded from the definition of a project by section 15378(b) of the State CEQA Guidelines. The proposed actions create 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 municipal services to the annexing territory.

CONCLUSION

At such time as the recommendations are adopted by the Board, please provide an adopted copy of this letter and a copy of the signed Joint Resolutions to LAFCO Executive Officer, Paul A. Novak by email at pnovak@lalafo.org; return one adopted copy of this letter and a copy of the signed Joint Resolutions to the Chief Executive Office – Budget and Operations Management Branch – Annexations and Financing Districts; and return one adopted copy of this letter and a copy of the signed Joint Resolutions to the Auditor-Controller – Property Tax Apportionment Division.

The Honorable Board of Supervisors

5/12/2026

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Respectfully submitted,



Joseph M. Nicchitta

Interim Chief Executive Officer

JMN:JG:MM

RM:DC:cg

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Sheriff
Auditor-Controller
Fire
LA County Library
Parks and Recreation
Public Works
Regional Planning
Local Agency Formation Commission for the
County of Los Angeles

JOINT RESOLUTION OF THE BOARD OF SUPERVISORS, AS THE GOVERNING BODY OF THE COUNTY OF LOS ANGELES AND THE CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY, AND THE CITY COUNCIL OF THE CITY OF LOS ANGELES, APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM THE ANNEXATION OF TERRITORY KNOWN AS REORGANIZATION 2021-11 TO THE CITY OF LOS ANGELES, DETACHMENT FROM THE CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY AND THE WEST BASIN MUNICIPAL WATER DISTRICT

WHEREAS, the applicant initiated proceedings with the Local Agency Formation Commission for Los Angeles County (LAFCO) for the annexation of territory identified as Reorganization 2021-11 to the City of Los Angeles (City);

WHEREAS, pursuant to Section 99 of the California 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;

WHEREAS, the area proposed for annexation is identified as Reorganization 2021-11 and approximately 0.64± acres of uninhabited territory to the City of Los Angeles; and affected territory is located south of the intersection of Beverly Boulevard and Genesee Avenue in unincorporated Los Angeles County adjacent to the City of Los Angeles;

WHEREAS, upon annexation of the proposed area to the City, the territory shall be detached from the Consolidated Fire Protection District of Los Angeles County;

WHEREAS, upon annexation of the proposed area to the City, the territory shall be withdrawn from the Road District No. 3;

WHEREAS, upon annexation of the proposed area to the City, the territory shall be withdrawn from the LA County Library;

WHEREAS, upon annexation of the proposed area to the City, the territory shall be detached from the West Basin Municipal Water District;

WHEREAS, the Board of Supervisors of the County of Los Angeles (County), as governing body of the County, the Consolidated Fire Protection District of Los Angeles County, and on behalf of Road District No. 3, and the LA County Library; the City Council of the City of Los Angeles, have determined the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation of the unincorporated territory identified as Reorganization 2021-11, is as set forth below:

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The negotiated exchange of property tax revenue between the County and the City, resulting from Reorganization 2021-11 is approved and accepted for the annexation of territory to the City of Los Angeles in Tax Rate Area 01366.

2. For the fiscal year commencing in the year after the filing of the statement of boundary change for Reorganization 2021-11 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, the tax-sharing ratio allocated to the Consolidated Fire Protection District in the area subject to Reorganization 2021-11 shall be reduced to zero.

3. For the fiscal year commencing in the year after the filing of the statement of boundary change for Reorganization 2021-11 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, property tax revenue allocated to County Road District No. 3, in the area subject to Reorganization 2021-11 shall be transferred to the County of Los Angeles, and the County Road District No. 3 share in the annexation area shall be reduced to zero.

4. For the fiscal year commencing in the year after the filing of the statement of boundary change for Reorganization 2021-11 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, property tax revenue allocated to the LA County Library, in the area subject to Reorganization 2021-11 shall be transferred to the County of Los Angeles, and the LA County Library share in the annexation area shall be reduced to zero.

5. For the fiscal year commencing in the year after the filing of the statement of boundary change for Reorganization 2021-11 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, a base of Eighteen Thousand Five Hundred Six dollars (\$18,506) in base property tax revenue attributable to Reorganization 2021-11, and 0.272305566 of annual property tax increment attributable to Reorganization 2021-11 shall be transferred from the County of Los Angeles to the City of Los Angeles.

6. The City acknowledges that from and after the effective date of Reorganization 2021-11, 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.

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