

NEWHALL RANCH HIGH COUNTRY RECREATION AND CONSERVATION AUTHORITY

A PUBLIC ENTITY OF THE STATE OF CALIFORNIA EXERCISING JOINT POWERS OF THE CITY OF SANTA CLARITA AND THE SANTA MONICA MOUNTAINS CONSERVANCY PURSUANT TO GOVERNMENT CODE SECTION 6500 ET SEQ

MEMORANDUM

TO: Governing Board



FROM: Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Officer

DATE: February 4, 2021

SUBJECT: Agenda Item VII: Consideration of resolution approving a Joint Community Facilities Agreement among the County of Los Angeles and the Newhall Ranch High Country Recreation and Conservation Authority and The Newhall Ranch Land and Farming Company relating to County of Los Angeles Community Facilities District No. 2021-02 (Valencia-Services).

Staff Recommendation: That the Governing Board adopt the attached resolution approving a Joint Community Facilities Agreement among the County of Los Angeles and the Newhall Ranch High Country Recreation and Conservation Authority and The Newhall Ranch Land and Farming Company relating to County of Los Angeles Community Facilities District No. 2021-02 (Valencia-Services).

Background: The Los Angeles County approval of the Newhall Ranch Specific Plan in 2003 required the formation of the Newhall Ranch High Country Recreation and Conservation Authority (NRHCRCA). NRHCRCA was formed and held one meeting in 2007. No NRHCRCA meetings have been held since. The Newhall Ranch Land and Farming Company recently requested that NRHCRCA hold a required meeting to approve a Joint Community Facilities Agreement among the County of Los Angeles and the Newhall Ranch High Country Recreation and Conservation Authority and The Newhall Ranch Land and Farming Company. That NRHCRCA action is needed this month to maintain the timeline for the formation of County of Los Angeles Community Facilities District No. 2021-02. A copy of the Joint Community Facilities Agreement (JFCA) is attached. This area is for just a small subset of the multi-thousand-acre Specific Plan. The attached JFCA includes maps of the service area.

The JFCA includes the following Description of Maintenance Services: NRHCRCA will acquire, develop, improve, manage, and conserve park and open space lands dedicated for public purposes of passive and active recreation, wildlife habitat protection, and conservation projects for lands set aside for public open space purposes pursuant to the County of Los Angeles Board of Supervisors approval of the Newhall Ranch project and

any other land dedication from Newhall Land or its successors and to implement the terms and conditions, as applicable, pursuant to the Joint Exercise of Powers Agreement between the City of Santa Clarita, the Santa Monica Mountains Conservancy, and the County of Los Angeles. NRHCRCA is the entity slated to take fee title to the multi-thousand-acre High Country open space.

Staff does not know what the specific obligations and expectations are for NRHCRCA at this juncture. Staff does not know when NRHCRCA will have responsibilities or when NRHCRCA will receive funding. Staff does not know how much funding NRHCRCA would receive initially nor going forward in time or to address inflation. The attached JFCA states that the annual amount charged will be \$24 for each single family detached dwelling unit and \$15 for each single-family attached dwelling unit. Without a better sense of the minimum management responsibilities of NRHCRCA, staff cannot ascertain the balance between proposed funding and responsibilities.

The Newhall Land and Farming Company, a California limited partnership, and Stevenson Ranch Venture, LLC, a Delaware limited liability company (collectively, the Owners) own the subject property and on behalf of the Owners, Newhall Land and Farming Company, has submitted petitions requesting the formation of Mello-Roos Community Facilities Districts (CFDs) to finance regional infrastructure improvements and certain services in the Valencia area (Valencia Project). The County has initiated formation of the Community Facilities District No. 2021-02 (Valencia – Services) (the Services CFD) and designating the Future Annexation Area for the Services CFD.

The Valencia Project is located approximately 35 miles northwest of downtown Los Angeles adjacent to the City of Santa Clarita. The project is a long-term master planned community that will require implementation of significant public infrastructure and facilities. The proposed plan for the entire project consists of approximately 25,000 dwelling units and 13 million square feet of commercial, industrial, and other non-residential uses. The dwelling units will include a broad range of housing types, including apartments, single-family attached and detached homes of various sizes, as well as affordable housing. The Valencia Project will also include approximately 10,000 acres of protected open space and a multitude of public facilities. The public facilities will consist of the following: park and recreation facilities, road/bridge improvements, median/parkway landscaping, storm drains, sewer improvements, water improvements, and water quality basins as further identified in the Resolution of Intention to Establish the Facilities CFD. Based on 2019 projections excluding inflation cost, it is estimated that the total cost of these public facilities will be approximately \$1.236 billion.

The boundaries of the Services CFD consist of the entirety of Mission Village, which is part of the Newhall Ranch Specific Plan implemented by the Valencia Project. Mission Village is expected to consist of approximately 4,055 residential units and 1,555,100 square feet of non-residential space. The boundaries of the Facilities CFD consist of the first phase of Mission Village and is expected to consist of approximately 1,268 residential units.

For the purpose of funding certain facilities, the County expects to enter into separate Joint Community Facilities Agreements (JCFA) with the Owners, Santa Clarita Valley Water Agency, and Newhall Ranch Sanitation District of Los Angeles County. The purpose of the Services CFD is to fund certain County services within its boundaries. Services include park maintenance, roadway maintenance, public landscape maintenance, and water quality maintenance. Some of these services are provided by the Newhall Ranch High Country Recreation and Conservation Authority, a joint powers authority comprised of the County of Los Angeles, City of Santa Clarita, and Santa Monica Mountains Conservancy (High Country Authority). For purposes of funding these services through the Services CFD, the County is required to enter into a JCFA with the Owners and the High Country Authority prior to the formation of the Services CFD on March 9, 2021.

In connection with the Services CFD, the Board of Supervisors will annually approve the levy of the special tax in an amount sufficient to pay for the services (including amounts required under the JCFA with the High Country Authority) and administrative expenses.

The Valencia Project implements the Newhall Ranch Specific Plan adopted by the Board of Supervisors on May 27, 2003. Mission Village is one of five villages in the Newhall Ranch Specific Plan. On July 18, 2017, the Board certified that both the 2017 Recirculated Analysis and the 2011 Final Environmental Impact Report for the Mission Village Project were adequate and complete under the California Environmental Quality Act (CEQA), that the documents reflected the independent judgement of the Board, and therefore, adopted the Supplemental CEQA Findings and Statement of Overriding Considerations for the Mission Village Project.

In accordance with the provisions of the Mello-Roos Act, a public hearing must be held for each CFD no less than 30 or more than 60 days after adoption of the Resolutions of Intention to establish the proposed CFDs. That Public Hearing is scheduled for March 9, 2021. The Board of Supervisors will be considering approval of the JCFA with the High Country Authority at the same meeting at which the CFDs are formed (March 9, 2021).