



CITY OF
Palos Verdes Estates

OFFICE OF
THE CITY MANAGER

April 6, 2017

Honorable Janice Hahn
Supervisor, 4th District
822 Kenneth Hahn Hall of Administration
500 West Temple St.
Los Angeles, CA 90012

John Naimo
Los Angeles County Auditor-Controller
500 West Temple St., Suite 525
Los Angeles, CA 90012

Dear Supervisor Hahn and Auditor-Controller Naimo:

Following voter approval of Proposition 13 in 1978 and the subsequent enabling legislation AB 8 in 1979 cities throughout the State, including Los Angeles County, were apportioned a percentage of property tax revenue collected by the County based on their share of the tax rate levied prior to Prop 13's adoption. The City of Palos Verdes Estates receives 11.3% of the 1% Prop 13 tax revenues remitted to the County from within the City or, in other words, generally \$0.11 of every \$1.00 of property taxes paid by the property owners of our City.

As a residential community, property taxes are the primary source of revenue for fulfilling all municipal responsibilities including the provision of Fire/Paramedic services in Palos Verdes Estates. Because Palos Verdes Estates had a municipal fire department prior to adoption of Prop 13, it is not included in the Los Angeles County Fire Suppression Benefit Assessment District like other cities on the Palos Verdes Peninsula. Since the disbanding of the City's municipal fire department in the mid-1980's, the City's property tax receipts or other special taxes must cover fire and paramedic services as well as police services and other municipal services. In the County, cities with municipal Fire Departments such as Manhattan Beach, Redondo Beach, South Pasadena and Beverly Hills receive a higher share of property taxes.

Cognizant that other cities receive fire and paramedic services from the County without relying on the city's general fund property tax revenues or special taxes, I am writing to obtain your response to the following:

- An increase in Palos Verdes Estates' share of property tax revenues to be consistent with other similar cities with municipal Fire Departments, or

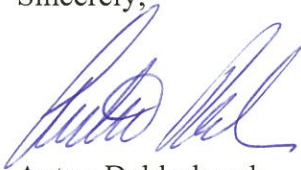
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Without impacting the City's current allocation of property tax revenue, inclusion in the Fire Suppression Benefit Assessment District.

These points at issue focus on the equity of property tax allocations and receiving appropriate revenue or service from the existing taxes paid. The concern is that since the adoption of Prop 13 almost 39 years ago, circumstances have changed so much that the current method of allocating property tax revenues are no longer reasonable. We would appreciate the County's response to this request.

Thank you.

Sincerely,



Anton Dahlerbruch
City Manager

c: Mark Waronek, Deputy to Supervisor Hahn
Palos Verdes Estates Mayor and City Council