PALMDALE

a place to call home

CITY COUNCIL
TEST
CITY COUNCIL CHAMBER
38300 SIERRA HIGHWAY
SUITE B
PALMDALE, CA 93550 TUESDAY, JUNE 2, 2026
9:00 AM
www.cityofpalmdaleca.gov

WELCOME

LEGISLATIVE BODY

ERIC OHLSEN, MAYOR
AUSTIN BISHOP, MAYOR PRO TEM
RICHARD J. LOA, COUNCILMEMBER
LAURA BETTENCOURT, COUNCILMEMBER
ANDREA ALARCÓN, COUNCILMEMBER

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Americans with Disabilities Act (ADA) Accommodations
In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (661) 267-5151 at least 48 hours prior to the meeting.

Public Comment Information
Members of the public may speak for up to **three (3) minutes** on the Consent Calendar, Public Hearings, Appointments, New Business, and Closed Session items. To address the Legislative Body on any agendized item, please complete a speaker card for the City Clerk and indicate the item you wish to speak on. Speaker cards are available in the foyer of the Council Chambers.

Please follow these guidelines to ensure the meeting runs smoothly:

- All comments must be respectful and courteous.
- Comments that are personal, threatening, obscene, insulting, or that attack others or berate differing viewpoints will not be allowed.
- Individuals who violate these rules or disrupt the meeting will be ruled out of order by the Chair and must immediately stop speaking.
- Disruptive individuals may be asked to leave the meeting.

1. **CALL MEETING TO ORDER**

Note: All City Council memberships are reflected in their City Council titles.

2. **ROLL CALL**
   MAYOR OHLSEN, MAYOR PRO TEM BISHOP, COUNCILMEMBERS LOA, BETTENCOURT, ALARCÓN

3. **PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE**

4. **PRESENTATIONS**

5. **NON-AGENDA PUBLIC COMMENTS - Now is the time for public participation.**

6. **CONSENT CALENDAR - Now is the time for public participation**

   All matters listed under the Consent Calendar will be enacted by one motion unless an item(s) is pulled by Council, in which case the item(s) will be removed from the Consent Calendar and will be considered separately following this portion of the Agenda.

   6.1 Waive full reading of the Resolution(s) and/or Ordinance(s) to be considered and voted on at this meeting. (This allows for reading the title only in lieu of reciting the entire text).

   6.2 Receive and File the Monthly Investment Activity Report for April 2026.
   SR Monthly Investment Report April 2026.docx
   Rpt. Monthly Investment Report April 2026.pdf

   6.3 Adopt Resolution No. CC 2026-036, a Resolution of the City Council of the City of Palmdale establishing an appropriations limit for Fiscal Year 2026-27 pursuant to Article XIII B of the California Constitution and repealing Resolution No. CC 2025-044.
   SR Reso. No. CC 2026-036.docx

Reso. No. CC 2026-036.docx

6.4 Approve Purchase Order 20270000 with Amazon Capital Services, Inc., DBA Amazon Business, in an amount not to exceed $328,200 for Fiscal Year 2026-27.
SR PO 20270000 Amazon Capital Services, Inc.docx
PO 20270000 Amazon Capital Services, Inc.pdf
Agrmt No. R-TC-17006 Amazon Renewal 3.pdf
Agrmt No. R-TC-17006 Renewal 2.pdf
Agrmt No. R-TC-17006 Renewal 1.pdf
Agrmt No. R-TC-17006.pdf

6.5 Approve 33 non-profit organizations, including their proposed locations for fireworks stands, and recommend permit issuance.
SR 2026 Fireworks Stands.docx
Map - Fireworks Stand Location 2026.pdf

6.6 Receive and file the annual report for the Palmdale Tourism Improvement District (PTID) for fiscal year 2025-26.
SR Receive and File the Annual Report for the PTID for FY 2025-26.docx
Rpt. PTID for FY 2025-26.docx

6.7 Approve Agreement with Civica Law Group, APC for Legal Services for Criminal Prosecution of Palmdale Municipal Code Violations in an amount not to exceed $190,000 for a two-year term through June 30, 2028.
SR Agrmt No. A-9871 with Civica Law Group APC.docx
Agrmt No. A-9871 with Civica Law Group, APC.pdf
Exhibit A - Rate Schedule.docx

6.8 Adopt Resolution No. CC 2026-008, a Resolution of the City Council of the City of Palmdale declaring its intention to continue assessments for Fiscal Year 2026-27, preliminarily approving the annual Engineer's Report, and providing Notice of Public Hearing for the City of Palmdale Drainage Benefit Assessment Districts No. 1 and No. 2006-02.
SR Reso. No. CC 2026-008.docx
Reso. No. CC 2026-008.docx
Fiscal Year 2026-27 Engineers Report Drainage Benefit Assessment Districts.pdf

6.9 Adopt Resolution No. CC 2026-009, a Resolution of the City Council of the City of Palmdale declaring its intention to continue assessments for Fiscal Year 2026-27, preliminarily approving the Annual Engineer's Reports, and providing for Notice of Hearing for the City of Palmdale Landscape Maintenance Assessment Districts and Annexations, Park Maintenance and Recreation Improvement District, and Streetlight Maintenance Assessment Districts and Annexations.
SR Reso. No. CC 2026-009.docx
Reso. No. CC 2026-009.docx

Fiscal Year 2026-27 Combined Engineers Report for Landscape Maintenance Assesment Districts.pdf
Fiscal Year 2026-27 Engineers Report for Park Maintenance and Recreation Assessment Districts.pdf
Fiscal Year 2026-27 Engineers Report for Streetlight Maintenance Assessment Districts.pdf

6.10 Approve the minutes from the previous meeting.
Mins 05 05 2026.pdf
Mins 05 11 2026.pdf

7. **APPOINTMENTS**

Now is the time for public participation on the Appointment and New Business section.

7.1 Reappointment of Planning Commissioners in Districts 1,3, and 4.
SR PC Reappointments.docx

8. **PUBLIC HEARING - Now is the time for public participation. Each public hearing will have its own public testimony.**

8.1 Adopt Resolution No. CC 2026-028, a Resolution of the City Council of the City of Palmdale, approving MOD 26-0009 amending a previously approved density bonus agreement 22-002 (A-7912), to facilitate the construction of a 48-unit multi-family residential development on one vacant parcel totaling approximately one acre located East of 9th Street East, approximately 100 feet South of East Avenue Q; and, authorize the City Manager or his designee to exercise the option to amend the agreement as necessary, including minimal and /or non-substantive changes (APN: 3008-040-012).
SR MOD 26-0009.docx
Reso. No. CC 2026-028.docx
Exh A - Legal Description for MOD 26-0009 .docx
Exh B - Aerial Map for MOD 26-0009.docx
Exh C - General Plan and Specific Plan Consistency for MOD 26-0009.docx
Exh D - PMC and Specific Plan Standards for MOD 26-0009.docx
Exh E - Density Bonus Housing Agreement (A-7912).docx

9. **NEW BUSINESS - Now is the time for public participation.**

9.1 Discussion and direction regarding the preparation of Resolutions related to the potential repeal and deferred implementation of Measure PD.
SR Discussion Regarding Measure PD.docx

10. **CITY MANAGER'S REPORT**

11. **SHERIFF'S REPORT**

12. **COUNCIL REPORTS, ANNOUNCEMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS**

13. **CLOSED SESSION - Now is the time for public participation.**

    PRESENTATION BY CITY ATTORNEY

14. **ANNOUNCEMENT BY CITY ATTORNEY**

15. **ADJOURN** meeting to XXXX XX, 2026, at 5:00 p.m. in the City Hall Council Chamber located at 38300 Sierra Highway, Suite B, Palmdale, California.

City Council Staff Report

DATE: **JUNE 2, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **OPERATIONS DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **RECEIVE AND FILE THE MONTHLY INVESTMENT ACTIVITY REPORTS FOR APRIL 2026**

RECOMMENDATION

Staff recommend that the City Council:

1. Receive and file the April 2026 monthly investment activity reports for the City of Palmdale and Successor Agency.

BACKGROUND

In accordance with Section 16 of the City and Successor Agency Investment Policy, the City Treasurer is required to prepare and present monthly and quarterly investment reports to the City Manager/Executive Director and the City Council/Board of Directors. These reports include detailed information on each investment, including the investment type, issuer name, purchase date, maturity date, amount invested, and interest rate. Reporting covers all pooled investments of the City and Successor Agency, as well as Certificates of Participation, Revenue Bonds, Tax Allocation Bonds, Assessment Districts, and Community Facilities District accounts managed by external fiscal agents.

The monthly investment reports provide an overview of the City and Successor Agency's investment activity and portfolio performance. They summarize total assets, portfolio allocations, average maturities, yields, and book values. The interest rates presented reflect the most current rates available as of the report date.

Market values for pooled City and Successor Agency investments are based on closing prices as of the report date. Pricing information is obtained from reputable sources, including the Wall Street Journal, Bloomberg Financial Markets, Capital Market Finance publications, and other reliable market data providers.

DISCUSSION

Compliance with Investment Policy

As of April, the City's total investment portfolio was valued at $327,192,616, reflecting an increase of $3,355,362 from the prior month and an increase of $12,613,771 compared to the same period last year. The month-over-month increase is attributable to interest earned and new investment purchases during the month.

The Successor Agency's portfolio had a par value of $14,645,312 as of April, representing an increase of $35,201 from the previous month. The increase is due to interest earned during the month.

All investments are in full compliance with Section 8 of the City's Investment Policy. The portfolios consist of a diversified mix of authorized investment instruments, including Certificates of Deposit, Corporate Notes, U.S. Treasury Securities, and Government Agency Securities, each maintained within established portfolio percentage limits.

The Finance Division serves as custodian of the City and Successor Agency investment portfolios and adheres to the three primary objectives outlined in the Investment Policy:

- Safeguard principal by investing in financial instruments that mitigate the risk of market-related losses;
- Maintain sufficient liquidity to meet anticipated cash flow needs; and
- Achieve a competitive market rate of return consistent with policy constraints.

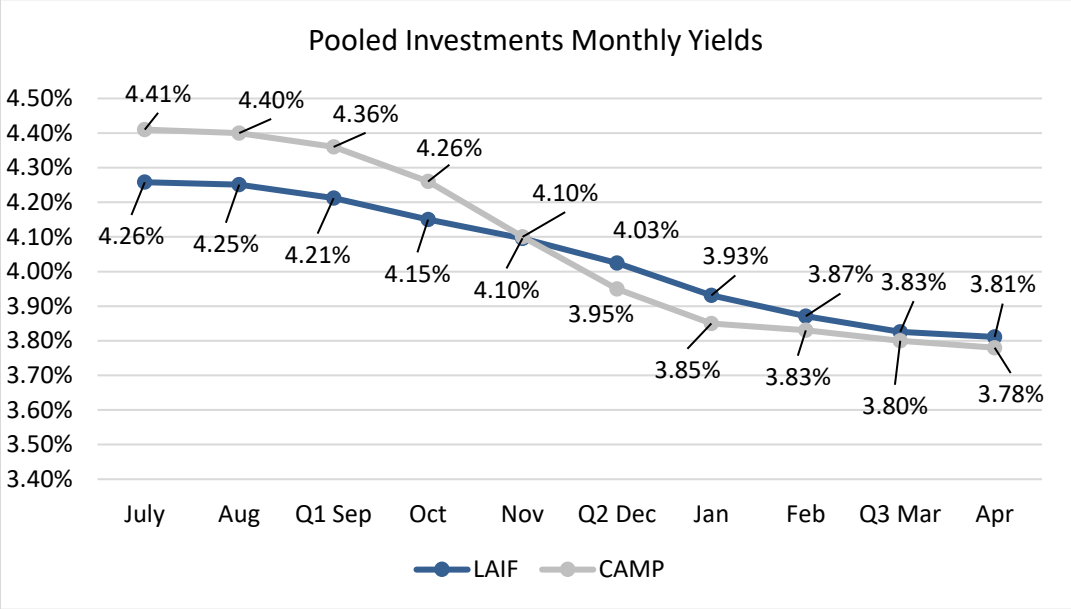
Liquidity

Maintaining adequate liquidity to support operational requirements remains a key priority of the Finance Division. To support this objective, the City and Successor Agency invest in two pooled funds: the Local Agency Investment Fund (LAIF) and the California Asset Management Program (CAMP). These funds are designed to support daily operational needs and provide flexibility during periods of economic uncertainty. Their high liquidity ensures that both entities can meet ongoing cash flow demands.

At the end of April, the City's LAIF balance totaled $118,075,321, an increase of $1,146,025 from the prior month due to quarterly interest earned. The Successor Agency's LAIF balance was $4,067,226, an increase of $39,470 from the prior month due to interest earnings.

The City's CAMP balance at the end of April was $54,772,251, compared to $54,602,460 in March. The increase is due to interest earned during the month.

The interest rates presented reflect the most current rates available as of the date of this report. As of April 30, 2026, LAIF and CAMP were earning 3.811 percent and 3.78 percent, respectively. At the end of March, the rates were 3.826 percent for LAIF and 3.80 percent for CAMP. One year ago, LAIF and CAMP rates were 4.281 percent and 4.45 percent, respectively.



The chart above shows the LAIF and CAMP average monthly yields from July 2025 through April 2026. Both investment pools experienced a gradual decline in yields during this period, reflecting the overall interest rate environment. CAMP initially provided higher yields than LAIF; however, beginning around December 2025, LAIF yields slightly exceeded CAMP yields and remained relatively more stable through April 2026. CAMP, on the other hand, appeared more sensitive to market fluctuations during this period.

Diversity

The Finance Division seeks to maintain a well-diversified investment portfolio in order to minimize exposure to risks associated with any single security type or financial institution.

The City and Successor Agency portfolios remain appropriately diversified in accordance with the Investment Policy. The accompanying monthly reports detail all investments held by both entities, including current book values as of April 30, 2026.

Based on current projections, both the City and the Successor Agency have sufficient funds to meet anticipated expenditure requirements over the next six months. The Finance Division will continue to closely monitor economic conditions and assess their potential impact on interest rates and overall portfolio performance.

Attached are summaries of the investments in the City and Successor Agency's books as of April 30, 2026.

FISCAL IMPACT

$0; There is no fiscal impact associated with the recommended action for this report.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

B. Manage resources, costs, and liabilities to ensure the City's long-term fiscal health.

C. Involve and expand engagement to enhance public oversight and transparency.

Prepared by:	Janelle Samson, Deputy City Manager
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Rpt. Monthly Investment Report April 2026

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
APRIL 30, 2026

CITY OF PALMDALE INVESTMENTS

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT
U.S. TREASURY SECURITIES				Yield			
01-03-24	12-31-26	CITY	912828YX2 U.S. Treasury Note	0.04	$ 5,000,000.00	$ 4,696,880.23	$ 4,848,850.00
01-03-24	06-30-27	CITY	91282CEW7 U.S. Treasury Note	0.04	5,000,000.00	4,897,630.28	4,954,900.00
01-03-24	09-30-27	CITY	91282CFM8 U.S. Treasury Note	0.04	2,500,000.00	2,523,771.66	2,522,450.00
01-08-24	06-15-26	CITY	91282CHH7 U.S. Treasury Note	0.04	5,000,000.00	5,001,760.94	5,006,000.00
12-18-24	09-30-29	CITY	91282CFL0 U.S. Treasury Note	0.39	5,000,000.00	4,977,094.45	5,022,250.00
12-18-24	10-31-29	CITY	91282CFT3 U.S. Treasury Note	0.40	5,000,000.00	4,988,321.47	5,047,050.00
12-18-24	11-30-29	CITY	91282CFY2 U.S. Treasury Note	0.39	5,000,000.00	4,942,086.29	5,021,300.00
01-02-25	12-31-29	CITY	91282CGB1 U.S. Treasury Note	0.39	3,000,000.00	2,949,835.02	3,012,300.00
11-17-25	09-30-30	CITY	91282CPA3 U.S. Treasury Note	3.63	3,000,000.00	3,015,470.91	3,001,130.25
01-23-26	06-30-29	CITY	91282CEV9 US Treasury Note	3.25	1,000,000.00	985,312.50	985,312.50
01-23-26	02-28-30	CITY	91282CGQ8 US Treasury Note	4.00	1,000,000.00	1,008,750.00	1,008,750.00
01-23-26	12-31-30	CITY	91282CJQ5 US Treasury Note	3.75	1,000,000.00	995,937.50	995,937.50
03-05-26	11-15-28	CITY	91282CPK1 US Treasury Note	3.50	2,000,000.00	1,997,812.50	1,997,812.50
03-16-26	04-15-28	CITY	91282CMW8 US Treasury Note	3.75	2,000,000.00	2,001,875.00	2,001,875.00
			TOTAL U.S. TREASURY SECURITIES		$ 45,500,000.00	$ 44,982,538.75	$ 45,425,917.75
GOVERNMENT AGENCY PAPER							
12-21-21	12-22-26	CITY	3133ENJC5 Federal Farm Credit	1.29	5,000,000.00	5,000,000.00	4,814,666.55
06-24-22	02-26-27	CITY	3130AL5A8 Federal Home Loan Note	3.33	5,000,000.00	4,479,000.00	4,758,477.85
08-17-22	10-27-26	CITY	3134GW4C7 Freddie Mac	0.80	5,000,000.00	4,539,500.00	4,800,207.95
01-06-23	02-25-27	CITY	3130AQRH8 Federal Home Loan Note	4.38	5,000,000.00	4,590,638.89	4,843,987.40
01-06-23	04-19-27	CITY	3130ARHJ3 Federal Home Loan Note	4.38	5,000,000.00	4,801,354.86	4,925,508.20
05-03-24	05-01-28	CITY	3133ERCX7 Federal Farm Credit	5.17	5,000,000.00	5,000,000.00	5,022,317.60
08-08-24	08-14-29	CITY	3134HADY6 Freddie Mac Domestic	4.00	4,000,000.00	3,946,000.00	3,971,348.28
12-03-24	12-04-29	CITY	3130B3XP3 Federal Home Loan	4.50	1,000,000.00	1,000,000.00	998,973.31
12-04-24	12-02-27	CITY	3133ERE23 Federal Farm Credit	4.32	1,000,000.00	1,000,000.00	1,003,072.14
01-27-25	07-27-27	CITY	3130B4RC7 Federal Home Loan Bank	4.50	3,000,000.00	3,000,000.00	3,019,381.53
01-28-25	07-21-27	CITY	3130B4QA2 Federal Home Loan Bank	4.55	3,000,000.00	3,000,000.00	3,003,732.24
06-27-25	04-30-29	CITY	3136GAGW3 Fannie Mae	4.75	5,000,000.00	5,000,000.00	4,993,056.90
09-08-25	10-08-27	CITY	3135G05Y5 Fannie Mae NTS	3.31	2,000,000.00	1,897,625.25	1,897,625.25
09-17-25	09-15-28	CITY	3133ETXV4 Federal Farm Credit Bond	3.83	1,400,000.00	1,402,403.14	1,400,000.00
11-17-25	11-06-30	CITY	3130B8BF8 Federal Home Loan	3.95	830,000.00	833,082.01	832,080.25
01-06-26	06-26-30	CITY	3133ET5K9 Federal Farm Credit Bank	4.07	3,000,000.00	2,998,500.00	2,998,500.00
01-06-26	01-06-31	CITY	3136GCCY9 Fannie Mae	4.00	4,000,000.00	4,000,000.00	4,000,000.00
03-05-26	03-05-29	CITY	3133EWFX3 Federal Farm Credit	3.70	2,000,000.00	1,997,000.00	1,997,000.00
03-10-26	09-10-29	CITY	3130B9RD4 Federal Home Loan	4.00	2,000,000.00	2,000,000.00	2,000,000.00
03-10-26	03-10-31	CITY	3134HCXZ7 Freddie Mac	3.70	2,000,000.00	1,988,000.00	1,988,000.00
03-17-26	03-14-28	CITY	3130B9WM8 Federal Home Loan	4.00	2,500,000.00	2,500,000.00	2,500,000.00
03-31-26	02-26-29	CITY	3134HCE96 Freddie Mac	4.21	1,500,000.00	1,500,000.00	1,500,000.00
04-14-26	04-14-31	CITY	3130BA4X2 Federal Home Loan	4.75	1,520,000.00	1,520,000.00	1,520,000.00
04-22-26	04-30-29	CITY	3133EWMX5 Federal Farm Credit	4.03	2,000,000.00	2,000,000.00	2,000,000.00
04-30-26	04-23-31	CITY	3130BAGD3 Federal Home Loan	4.20	2,000,000.00	2,000,000.00	2,000,000.00
			TOTAL GOVERNMENT AGENCY PAPER		$ 73,750,000.00	$ 71,993,104.15	$ 72,787,935.45

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
APRIL 30, 2026

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT
CERTIFICATES OF DEPOSIT							
01-04-24	06-15-26	CITY	05580A4Y7 BMW Bank of NA	4.03	$ 240,000.00	$ 243,434.40	$ 241,276.80
01-04-24	12-28-28	CITY	09582YAV4 Blue Ridge Bank	4.09	240,000.00	240,948.00	241,135.20
06-11-24	06-11-26	CITY	38150VUZ0 Goldman Sachs Bank	5.05	245,000.00	245,033.90	247,179.52
06-13-24	06-13-29	CITY	89235MPP0 Toyota Financial SGS	4.65	245,000.00	245,000.00	250,250.86
06-14-24	06-15-26	CITY	34520LBC6 Forbright Bank	5.05	245,000.00	245,000.00	247,279.55
06-14-24	06-14-28	CITY	307811KA6 Farmers & Merchs Bank	5.00	245,000.00	245,000.00	246,517.02
06-17-24	06-17-26	CITY	8562855V9 State Bank of India	5.10	245,000.00	245,000.00	247,345.31
06-20-24	06-22-26	CITY	06051XER9 Bank of America NA	5.05	245,000.00	245,000.00	247,339.38
06-21-24	06-22-26	CITY	35634MAE1 Freedom Bank/Maywood NJ	5.05	245,000.00	245,000.00	247,339.60
01-14-26	01-14-31	CITY	46659CSR2 JP Morgan Chase Bank NA	4.00	250,000.00	250,000.00	250,000.00
02-13-26	02-14-28	CITY	178180HL2 City National Bank Beverly Hills	3.85	250,000.00	250,000.00	250,000.00
02-20-26	02-20-29	CITY	33622PAP8 First Security Bank	3.90	250,000.00	250,000.00	250,000.00
03-05-26	02-25-30	CITY	61778EQC8 Morgan Stanley	3.95	250,000.00	250,000.00	250,000.00
03-11-26	03-12-29	CITY	61776N2D4 Morgan Stanley	3.80	250,000.00	250,000.00	250,000.00
			TOTAL CERTIFICATES OF DEPOSIT		$ 3,445,000.00	$ 3,449,416.30	$ 3,465,663.24
CORPORATE BONDS							
01-04-24	07-27-26	CITY	61761J3R8 Morgan Stanley	4.70	$ 500,000.00	$ 481,185.25	$ 493,730.00
01-04-24	06-15-26	CITY	46625HRS1 JPMorgan Chase & CO	4.52	500,000.00	484,840.25	495,185.00
01-04-24	03-02-28	CITY	718172CE7 Philip Morris Intl Inc	4.49	500,000.00	474,395.25	487,000.00
01-04-24	04-01-27	CITY	808513BW4 Charles Schaw Corp	4.68	500,000.00	479,390.25	492,985.00
01-09-24	06-02-26	CITY	11271LAA0 Brookfield Fin Inc	5.13	500,000.00	490,115.25	498,735.00
01-09-24	07-09-27	CITY	22550L2K6 Crdit Suisse New York	4.92	500,000.00	500,910.25	507,650.00
01-09-24	08-15-28	CITY	797440CE2 San Diego G & E	4.49	500,000.00	509,340.25	510,425.00
01-09-24	07-01-27	CITY	75973QAA5 Reneissance Financial	5.01	500,000.00	475,470.25	492,385.00
08-27-24	02-01-29	CITY	06406RBN6 Bank of NY Mellon Corp	4.20	656,000.00	663,116.29	660,965.92
08-27-25	07-26-29	CITY	06406RBK2 Bank of Melon Corp	4.09	1,000,000.00	1,021,952.92	1,021,952.92
08-27-25	08-09-29	CITY	89236TMK8 Toyota Motor Crdt Corp	4.03	500,000.00	510,587.75	510,587.75
08-27-25	05-13-30	CITY	91324PDX7 United Health Group Inc	4.15	1,000,000.00	914,211.92	914,211.92
01-06-26	11-15-30	CITY	30303MAB8 Meta Platforms Inc Global	4.20	1,500,000.00	1,510,500.00	1,510,500.00
01-06-26	05-06-30	CITY	46647PBD7 JPMorgan Chase & Co	3.70	1,500,000.00	1,482,990.00	1,482,990.00
01-23-26	04-13-29	CITY	023135CG9 Amazon.com Inc	3.45	1,000,000.00	988,500.00	988,500.00
01-23-26	01-23-30	CITY	6174468G7 Morgan Stanley MTN	4.43	1,000,000.00	1,007,000.00	1,007,000.00
01-23-26	01-10-31	CITY	89236TPH2 Toyota Motor Credit Corp	4.20	1,000,000.00	998,300.00	998,300.00
02-12-26	02-12-31	CITY	95004HBB3 Wells Fargo Bank	4.15	2,000,000.00	2,000,000.00	2,000,000.00
02-23-26	02-23-29	CITY	06055JQF9 Bank of America Corp	4.05	2,000,000.00	2,000,000.00	2,000,000.00
03-05-26	11-20-30	CITY	023135CT1 Amazon.com Inc Global	4.10	1,500,000.00	1,510,500.00	1,510,500.00
03-05-26	02-15-31	CITY	02079KBK2 Alphabet Inc Global	4.10	1,000,000.00	1,006,000.00	1,006,000.00
03-05-26	03-21-29	CITY	59217GEZ8 Met Life Glob Funding	3.30	1,500,000.00	1,468,500.00	1,468,500.00
03-12-26	03-12-31	CITY	38151GAJ0 Goldman Sachs Bank	4.10	2,000,000.00	2,000,000.00	2,000,000.00
03-16-26	03-13-31	CITY	023135DD5 Amazon.com Inc Global	4.25	1,500,000.00	1,495,155.00	1,495,155.00
03-16-26	03-13-29	CITY	89236TPQ2 Toyota Motor Credit	4.05	1,000,000.00	997,600.00	997,600.00
04-23-26	05-07-30	CITY	57629TBX4 Massmutual Global	4.55	1,500,000.00	1,507,200.00	1,507,200.00
04-23-26	07-25-28	CITY	64952WFP3 New York Life Global	4.15	1,500,000.00	1,501,050.00	1,501,050.00
			TOTAL CORPORATE BONDS		$ 28,656,000.00	$ 28,478,810.88	$ 28,559,108.51
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND							
09-01-84	n/a	CITY	98-19-620	3.83	$ 62,373,759.29	$ 62,373,759.29	$ 62,373,759.29
9-19-2024	n/a	PFA	40-19-078	3.83	36,500,000.00	36,500,000.00	41,001,040.71
9-28-2021	n/a	ARPA	19-19-004	3.83	14,700,521.41	14,700,521.41	14,700,521.41
			TOTAL LAIF ACCOUNTS		$ 113,574,280.70	$ 113,574,280.70	$ 118,075,321.41
CAMP- CALIFORNIA ASSET MANAGEMENT PROGRAM							
6080-01	n/a	CITY	6080-01	3.80	$ 54,772,250.66	$ 54,772,250.66	$ 54,772,250.66
			TOTAL CAMP ACCOUNTS		$ 54,772,250.66	$ 54,772,250.66	$ 54,772,250.66

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
APRIL 30, 2026

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT
UBS FINANCIAL SERVICES							
n/a	n/a	CITY		0.00	$ 4,106,419.45	$ 4,106,419.45	$ 4,106,419.45
			TOTAL UBS FINANCIAL SERVICES ACCOUNTS		$ 4,106,419.45	$ 4,106,419.45	$ 4,106,419.45
			TOTAL CITY INVESTMENTS		$ 323,803,950.81	$ 321,356,820.89	$ 327,192,616.47
			LIBRARY INVESTMENTS				
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND							
11-20-84	n/a	LIBRARY	16-19-012	3.83			$ 14,368.06
			TOTAL LIBRARY INVESTMENTS				$ 14,368.06
			FISCAL AGENT CASH				
SIERRA GATEWAY COMMUNITY FACILITIES DISTRICT 91-1							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
05-10-95	n/a	BOND	95421220	0.35			$ 124.26
05-10-95	n/a	IMPROVEMENT	95421222	0.10			180,594.60
			TOTAL SIERRA GATEWAY COMMUNITY FACILITIES DISTRICT 91-1				$ 180,718.86
BOND PROCEEDS							
RITTER RANCH COMMUNITY FACILITIES DISTRICT 93-1							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
04-06-95	n/a	RESERVE-SEN	95420880	n/a			$ 14.33
04-06-95	n/a	IMPV-ACQUI	95420884	0.01			3,006,005.05
04-06-95	n/a	BOND	95420887	0.15			0.15
			TOTAL RITTER RANCH COMMUNITY FACILITIES DISTRICT 93-1				$ 3,006,019.53
BOND PROCEEDS							
ANAVERDE COMMUNITY FACILITIES DISTRICT 2003-1							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
08-01-19	n/a	SP TAX - B BOND	242969000	0.00			$ 111.07
08-01-19	n/a	RESERVE	242969003	0.00			722,953.75
08-01-19	n/a	SP TAX - REFNDING BOND	242969004	0.01			15,152.21
			TOTAL ANAVERDE COMMUNITY FACILITIES DISTRICT 2003-1				$ 738,217.03
BOND PROCEEDS							
2005 $7.2M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER) REFUNDED 2021							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
	n/a	SPEC TRB SER A/B	251009000	0.01			$ 11,466.35
	n/a	RESERVE FUND	251009001	0.01			642,330.87
			TOTAL 2005 $7.2M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER) REFUNDED 2021				$ 653,797.22

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
APRIL 30, 2026

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT
BOND PROCEEDS							
2006-1 GODDE HILL ESTATE SEWER IMPROVEMENTS LOIB							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
11-08-06	n/a	REDEMPTION FUND	106844000	0.01			$ 16,904.20
11-08-06	n/a	ADM EXP	106844002	0.01			1,858.35
11-08-06	n/a	RESERVE FUND	106844003	0.01			80,943.15
		TOTAL 2006-1 GODDE HILL ESTATE SEWER IMPROVEMENTS LOIB					$ 99,705.70
2015 HA DEBT SERVICE RESERVE							
Fiscal Agent: Bank of America							
11-19-15	n/a	DEBT SVC RESERVE	1257964992	0.08			$ 41,260.91
		TOTAL 2015 HA DEBT SERVICE RESERVE					$ 41,260.91
PARS RESTRICTED CASH FOR PENSION STABILIZATION TRUST FUND							
05-23-18	n/a	CITY	104790895775 Pub. Agency Retirement Svcs.	2.60			$ 12,327,421.84
		TOTAL PARS PENSION TRUST FUND					$ 12,327,421.84
BOND PROCEEDS							
2015 HA $4.3M MULTIFAMILY HOUSING REVENUE BONDS							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
09-03-15	n/a	BOND FUND	277067000	0.00			$ 177,222.65
09-03-15	n/a	INTEREST ACCT	277067001	0.01			14.01
09-03-15	n/a	BOND RESERVE	277067003	0.00			281,020.81
09-03-15	n/a	REPAIR & REPLACE FUND	277067004	0.00			1,464,197.43
		TOTAL 2015 HA $4.3M MULTIFAMILY HOUSING REVENUE BONDS					$ 1,922,454.90
BOND PROCEEDS							
2017 PFA $17.4M LEASE REVENUE BONDS							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
04-05-17	n/a	REVENUE FUND	271128000	0.00			$ 0.50
04-05-17	n/a	REVENUE REFUNDING BOND	271128001	n/a			152,393.83
04-05-17	n/a	REVENUE REFUNDING BOND	271128002				0.31
		TOTAL 2017 PFA $17.4M LEASE REVENUE BONDS					$ 152,394.64
BOND PROCEEDS							
2023 A&B SERIES ACQUISITION & CONSTRUCTION REVENUE BOND PFA							
Fiscal Agent: U.S. Bank National Association (fka First Trust)							
11-30-23	n/a	REVENUE FUND	248041000				$ 9.57
11-30-23	n/a	INTEREST	248041001				452,101.65
11-30-23	n/a	PRINCIPAL	248041002				0.51
11-30-23	n/a	REVENUE FUND	248041004				13.54
11-30-23	n/a	REVENUE FUND	248041008				4,800,500.67
		TOTAL 2023 A&B SERIES B ACQUISITION & CONSTRUCTION REV BOND					$ 5,252,625.94
		GRAND TOTAL - FISCAL AGENT CASH					$ 24,374,616.57

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
APRIL 30, 2026

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT

SUMMARY OF CASH AND INVESTMENTS

Cash on Hand		$ 24,352,133
Pooled Cash Investments		
City:	318,655,860	
Insur Fund:	8,536,756	$ 327,192,616
Library Investments		14,368
Subtotal		$ 351,559,117
City/AD/CFD/PCA/PFA/HA Fiscal Agent Cash		$ 24,366,617
Grand total		$ 375,925,734

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
APRIL 30, 2026

POOLED CASH - LOCAL AGENCY INVESTMENT FUND (LAIF), CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP), & UBS FINANCIAL SERVICES

TRANSACTION DATE	DEPOSIT	WITHDRAWAL	INTEREST RECEIVED	BALANCE
LAIF - CITY ACCOUNT 98-19-620				
Beginning Balance				$ 61,768,288.77
04-15-26			$ 605,470.52	
Subtotal	$ -	$ -	$ 605,470.52	62,373,759.29
LAIF - PFA ACCOUNT 40-19-078				
Beginning Balance				$ 40,603,146.66
04-15-26			$ 397,894.05	
Subtotal	$ -	$ -	$ 397,894.05	$ 41,001,040.71
LAIF - LIBRARY ACCOUNT 16-19-012				
Beginning Balance				$ 14,228.63
04-15-26			$ 139.43	
Subtotal	$ -	$ -	$ 139.43	$ 14,368.06
LAIF - ARPA ACCOUNT 19-19-004				
Beginning Balance				$ 14,557,860.40
04-15-26			$ 142,661.01	
Subtotal	$ -	$ -	$ 142,661.01	$ 14,700,521.41
CAMP				
Beginning Balance				$ 54,602,459.72
04-30-26			$ 169,790.94	
Subtotal	$ -	$ -	$ 169,790.94	$ 54,772,250.66
UBS Financial Services				
Beginning Balance				$ 3,445,020.74
04-30-26			$ 136,961.21	
04-30-26	$ 4,000,000.00			
04-30-26		$ (3,475,562.50)		
Subtotal	$ 4,000,000.00	$ (3,475,562.50)	$ 136,961.21	$ 4,106,419.45
Total	$ 4,000,000.00	$ (3,475,562.50)	$ 1,452,917.16	$ 176,968,359.58

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
APRIL 30, 2026

POOLED CASH - INVESTMENTS MATURED OR CALLED

TN = US Treasury
FP = Federal Paper
CD = Certificate of Deposit
C = Call
M = Maturity
CB = Corporate Bonds

ISSUER	PURCHASE DATE	MATURITY DATE		FACE VALUE REDEEMED	INTEREST RECEIVED	NET FUNDS	INVESTED AMOUNT	GAIN/ (LOSS)
3130AN5C0 Federal Home Loan Note	07-29-21	04-29-26	FP	$ 4,000,000.00	$ 21,000.00	$ 4,021,000.00	$ 3,899,120.00	$ 100,880.00
3130B62E5 Federal Home Loan Bank	06-13-25	04-30-26	FP	3,000,000.00	$ 63,750.00	3,063,750.00	3,000,982.74	(982.74)
32026U6U5 First Foundation Bank	01-06-26	04-30-26	CD	250,000.00	3,522.26	253,522.26	250,000.00	-
				$ 7,250,000.00	$ 88,272.26	$ 7,338,272.26	$ 7,150,102.74	$ 99,897.26

Total Number of Transactions:

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
APRIL 30, 2026

POOLED CASH - INVESTMENTS PURCHASED

TN = US Treasury
FP = Federal Paper
CD = Certificate of Deposit
CB = Corporate Bonds

ISSUER	PURCHASE DATE	MATURITY DATE		FACE VALUE	PREMIUM / (DISCOUNT)	PURCHASE PRICE	ACCRUED INTEREST PURCHASED	NET PURCHASE	Yield
3130BA4X2 Federal Home Loan	04-14-26	04-14-31	FP	$ 1,520,000.00	$ -	$ 1,520,000.00	$ -	$ 1,520,000.00	4.75
3133EWMX5 Federal Farm Credit	04-22-26	04-30-29	FP	2,000,000.00	-	2,000,000.00	-	2,000,000.00	4.03
57629TBX4 Massmutual Global Funding II	04-23-26	05-07-30	CB	1,500,000.00	(7,200.00)	1,507,200.00	31,470.83	1,538,670.83	4.55
64952WFP3 New York Life Global	04-23-26	07-25-28	CB	1,500,000.00	(1,050.00)	1,501,050.00	15,216.67	1,516,266.67	4.15
3130BAGD3 Federal Home Loan	04-30-26	04-23-31	FP	2,000,000.00	-	2,000,000.00	-	2,000,000.00	4.20
				$ 8,520,000.00	$ (8,250.00)	$ 8,528,250.00	$ 46,687.50	$ 8,574,937.50	

Total Number of Transactions:

SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2026

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	INVESTED AMOUNT	TOTAL
LAIF - SA ACCOUNT 65-19-035						
09-01-84	n/a	SA Account	65-19-035	3.83	$ 4,067,226.00	
						$ 4,067,226.00

FISCAL AGENT CASH

BOND PROCEEDS						
CRA - 2002 Sub Lien Tax Allocation Bonds $5.3M ($5,329,748.25)						
Fiscal Agent: U.S. Bank National Association						
08-20-02	n/a	Reserve Fund	94460700	2.54	$ 535,135.30	
08-20-02	n/a	Interest Acct	94460701	0.04	21,921.18	
08-20-02	n/a	Principal Acct	94460702	0.04	82.87	
TOTAL CRA - 2002 Sub Lien Tax Allocation Bonds $5.3M ($5,329,748.25)						$ 557,139.35
BOND PROCEEDS						
2016 SA $31.5M Tax Allocation Refunding Bonds Series A						
Fiscal Agent: U.S. Bank National Association (fka First Trust)						
04-26-16	n/a	Debt Service	245113000	0.00	$ 0.89	
TOTAL 2016 SA $31.5M Tax Allocation Refunding Bonds Series A						$ 0.89
BOND PROCEEDS						
2016 SA $31.5M Tax Allocation Refunding Bonds Series B						
Fiscal Agent: U.S. Bank National Association (fka First Trust)						
4/26/2016	n/a	Debt Service	269424000	0.00	$ 0.52	
TOTAL 2016 SA $31.5M Tax Allocation Refunding Bonds Series B						$ 0.52
GRAND TOTAL - FISCAL AGENT CASH						$ 557,140.76

SUMMARY OF CASH AND INVESTMENTS

Cash on Hand	$ 10,020,945
Pooled Cash Investments	4,067,226
Successor Agency Fiscal Agent Cash	557,141
Grand total	$ 14,645,312

SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2026

POOLED CASH - STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND (LAIF)

TRANSACTION DATE	DEPOSIT	WITHDRAWAL	INTEREST RECEIVED	BALANCE
LAIF - SA ACCOUNT 65-19-035				
Beginning Balance				4,027,755.66
04-15-26			39,470.34	
Subtotal	$ -	$ -	$ 39,470.34	$ 4,067,226.00

City Council Staff Report

DATE: **JUNE 2, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **OPERATIONS DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2026-036, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE ESTABLISHING AN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2026-27 PURSUANT TO ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION AND REPEALING RESOLUTION NO. CC 2025-044**

RECOMMENDATION

Staff recommend that the City Council:

1. Adopt Resolution No. CC 2026-036, a Resolution of the City Council of the City of Palmdale establishing an appropriations limit for Fiscal Year 2026-27 pursuant to Article XIII B of the Constitution of the State of California and repealing Resolution No. CC 2025-044.

BACKGROUND

Article XII B of the California State Constitution, more commonly referred to as the Gann Initiative or Gann Appropriations Limit (Limit), was adopted by California voters in 1980. The Limit places restrictions on the amount of tax proceeds that state and local governmental agencies can receive and appropriate each fiscal year.

The Limit is calculated based on the actual amount of tax proceeds appropriated during the 1978-79 Fiscal Year and is increased each year for inflation and population growth. Inflationary adjustments are, by law, based on the growth in the California Per Capita Income or the growth in non-residential assessed valuation due to new construction within the City. Population adjustments are based on the population growth of the City or the population growth within the City's county. The decision as to which of the options to select is made annually by a recorded vote of the City Council.

The statutes regarding the adoption of the Limit, contained in Government Code Section 7910, require the governing body to annually adopt, by resolution, an appropriations limit each year for the following fiscal year.

DISCUSSION

For Fiscal Year 2026-27, the City estimates that tax proceeds to be received, as well as tax proceeds appropriated by the City Council, will continue to be under the legal limit. The City's appropriations limit for Fiscal Year 2026-27 is established at $191,541,551, a 4.95 percent increase over the Fiscal Year 2025-26 limit. This is the maximum amount of tax proceeds the City can receive and appropriate in the coming fiscal year. The City's appropriations, subject to the limit for Fiscal Year 2026-27, are estimated to be $146,216,113. Therefore, the City's Fiscal Year 2026-27 proposed budget appropriations subject to the limit are $45,325,437 less than the appropriations limit.

FISCAL IMPACT

$0; There is no fiscal impact associated with this action.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

A. Manage resources, costs, and liabilities to ensure the City's long-term fiscal health. This section indicates how the agenda item is relevant to the guiding principles or values of the strategic plan.

Prepared by:	Janelle Samson, Deputy City Manager
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Reso. No. CC 2026-036

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2026-036

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE ESTABLISHING AN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2026-27 PURSUANT TO ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION AND REPEAL RESOLUTION NO. CC 2025-044

WHEREAS, Article XIII B of the California Constitution provides that the total annual appropriations subject to limitation for each governmental entity, including this City, shall not exceed the appropriations limit of such entity of government for the prior year, as adjusted for changes in the California per capita income or assessment roll for new non-residential construction and population, except as otherwise provided for in said Article XIII B and implementing State statutes; and

WHEREAS, pursuant to said Article XIII B of the California Constitution, and Section 7910 of the California Government Code, the City is required to establish its appropriations limit each year for the following fiscal year; and

WHEREAS, since the data necessary to calculate the increase in the non-residential assessed valuation is generally not available from County assessors, there is the possible need to adjust the limit once the assessment data is available; and

WHEREAS, the City Manager has caused the limit for the City of Palmdale to be calculated and determined, on a provisional basis, using the per capita income and City population factors, and said appropriations limit for the fiscal year 2026-27 has been, and is hereby provisionally established in the amount of $191,541,551; and

WHEREAS, the documentation and calculations necessary to arrive at said limitation amount have heretofore been available for public inspection for the required fifteen (15) days.

NOW THEREFORE, BE IT RESOLVED, THE CITY COUNCIL OF THE CITY OF PALMDALE DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. Adopt Resolution No. CC 2026-036 establishing an appropriation limit in the amount of $191,541,551 for Fiscal Year 2026-27; and

SECTION 2. All supporting documentation used in the determination of said Appropriations Limit shall be made available at the Finance Division during normal business hours for inspection by the public; and

SECTION 3. Resolution No. CC 2025-044 is hereby repealed in its entirety.

SECTION 4. This Resolution is effective July 1, 2026.

SECTION 5. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this 2nd day of June, 2026.

_____
Eric Ohlsen, Mayor

Approved as to form:

ATTEST:

_____ _____
Alexandra Severino Rochelle Scott, City Clerk
City Attorney

I, Rochelle Scott, City Clerk of the City of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the City Council of the City of Palmdale at a regular meeting of said Council held on the 2nd day of June, 2026, by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

City Council Staff Report

DATE: **JUNE 2, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **OPERATIONS DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE PURCHASE ORDER 20270000 WITH AMAZON CAPITAL SERVICES, INC., DBA AMAZON BUSINESS, IN AN AMOUNT NOT TO EXCEED $328,200 FOR FISCAL YEAR 2026-27**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Purchase Order 20270000 with Amazon Capital Services, Inc., DBA Amazon Business, in an amount not to exceed $328,200 for Fiscal Year 2026-27. Adoption of this Purchase Order is contingent upon the City Council approving the City's Fiscal Year 2026-27 Annual Budget.

BACKGROUND

Under Palmdale Municipal Code §3.08.140(D), the City is authorized to participate in cooperative purchasing with other public agencies and non-profit organizations. This approach is cost-effective and streamlines procurement by reducing the need for separate bidding processes.

The City uses the OMNIA Partners Public Sector Cooperative Purchasing Program to access competitively bid contracts. Through this, and by leveraging Amazon Business, the City obtains competitive pricing on frequently purchased items.

The partnership with Amazon Business improves purchasing efficiency, provides centralized tracking and reporting, and enhances spending controls. It also allows the City to prioritize local vendors by designating them as "organization preferred" in the system.

Additional benefits of the Amazon partnership include:

- Increased Efficiency: Departments can reduce administrative time spent sourcing and comparing vendors by accessing a single, user-friendly platform;

- Real-Time Spend Visibility: Amazon's reporting tools provide detailed insights into department spending, helping to improve budget management and accountability;

- Streamlined Approval Processes: Built-in approval workflows and spending thresholds help ensure policy compliance and reduce unauthorized purchases;

- Availability of Diverse Vendors: Amazon Business allows the City to prioritize purchases from small, minority-owned, women-owned, and other disadvantaged business enterprises; and,

- Fast and Reliable Shipping: Many products are eligible for expedited shipping at no additional cost, ensuring timely delivery of critical supplies.

This partnership reflects the City's commitment to innovation, fiscal responsibility, and local economic development while improving service delivery to the community.

DISCUSSION

This purchase order supports citywide procurement needs based on past usage and expected demand. It will allow departments to continue using Amazon Business to purchase essential goods efficiently, while maintaining fiscal oversight and supporting local and diverse vendors.

Staff recommend that City Council approve a purchase order with Amazon Business in the amount of $328,200 for FY 2026-27.

FISCAL IMPACT

$328,200; Purchase Order 20270000 with Amazon Capital Services will not exceed $328,200 for FY 2026-27. Funds are proposed in the FY 2026-27 Annual Budget in various department Office & Operating and Small Equipment accounts.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

A. Manage resources, costs, and liabilities to ensure the City's long-term fiscal health. This section indicates how the agenda item is relevant to the guiding principles or values of the strategic plan.

Prepared by:	Janelle Samson, Deputy City Manager
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

PO 20270000 Amazon Capital Services Inc.
Agrmt No. R-TC-17006, Renewal 3
Agrmt No. R-TC-17006, Renewal 2
Agrmt No. R-TC-17006, Renewal 1
Agrmt No. R-TC-17006

Purchase Order 20270000 / Amazon Capital Services, Inc.

PO Line Number	Description	Org	Object	Project	Account Amt
1	OFFICE & OPERATING SUPPLIES - CITY COUNCIL	10110001	735100		$ 2,000.00
2	OFFICE & OPERATING SUPPLIES - CITY MANAGER	10111001	735100		$ 7,500.00
5	OFFICE & OPERATING SUPPLIES - CITY CLERK	10112001	735100		$ 3,500.00
7	RECORDS MANAGEMENT SUPPLIES	10112201	735100		$ 2,000.00
8	OFFICE & OPERATING SUPPLIES - HUMAN RESOURCES	10113001	735100		$ 6,000.00
13	OFFICE & OPERATING SUPPLIES - FINANCE	10115001	735100		$ 1,800.00
14	EQUIPMENT UNDER $5K & ALL FURNITURE - FINANCE	10115001	739500		$ 1,000.00
15	OFFICE & OPERATING SUPPLIES - PURCHASING	10115002	735100		$ 1,000.00
17	OFFICE & OPERATING SUPPLIES - COMMUNICATIONS	10117001	735100		$ 2,400.00
19	PROGRAM SUPPLIES: HOLIDAY PARTY - GENERAL CITY	10118001	737103		$ 6,500.00
20	OFFICE & OPERATING - COMMUNITY PROGRAMS	10119011	737100		$ 6,500.00
21	OFFICE & OPERATING SUPPLIES - ADMIN ECONOMIC DEVELOPMENT	10120001	735100		$ 7,000.00
24	EQUIPMENT UNDER $5K & ALL FURNITURE - BUILDING SERVICES	10122001	739500		$ 1,000.00
32	OFFICE & OPERATING SUPPLIES - COMMUNITY COMPLIANCE	10125601	735100		$ 10,500.00
33	OFFICE & OPERATING SUPPLIES - PUBLIC WORKS ADMIN	10131001	735100		$ 4,000.00
35	OFFICE & OPERATING SUPPLIES - ENGINEERING	10132001	735100		$ 1,000.00
36	UNIFORMS, BUSINESS AND WORK (VARIOUS), MEN AND WOMEN	10132002	707000		$ 900.00
37	OFFICE & OPERATING SUPPLIES - PUBLIC WORKS INSPECTIONS	10132002	735100		$ 3,000.00
38	EQUIPMENT UNDER $5K & ALL FURNITURE - PW INSPECTIONS	10132002	739500		$ 1,500.00
39	SUPPLIES - PARK MAINTENANCE	10133002	732920		$ 500.00
40	OFFICE & OPERATING SUPPLIES - PARK MAINTENANCE	10133002	735100		$ 1,200.00
42	OFFICE & OPERATING SUPPLIES - LANDSCAPE MAINTENANCE	10133003	735100		$ 100.00
44	BUILDING MAINTENANCE - FACILITIES	10133005	732800		$ 1,000.00
45	OFFICE & OPERATING SUPPLIES - FACILITIES	10133005	735100		$ 1,500.00
47	OFFICE & OPERATING SUPPLIES - PARK ADMIN	10141001	735100		$ 7,500.00
48	EQUIPMENT UNDER $5K & ALL FURNITURE - PARK ADMIN	10141001	739500		$ 500.00
49	OFFICE & OPERATING SUPPLIES - AIR PARK	10141004	735100		$ 600.00
51	OFFICE & OPERATING SUPPLIES - SPECIAL EVENTS (AMPHITHEATER)	10142001	735100	1091	$ 5,500.00
52	PUBLIC ART PROGRAM SUPPLIES	10142001	736210		$ 600.00
53	PROGRAM SUPPLIES - SPECIAL EVENTS / RECREATIO	10142001	736210	1092	$ 4,500.00
54	SPECIAL EVENTS PROGRAM SUPPLIES - (KALEIDOSCOPE)	10142001	736210	1094	$ 9,500.00
55	PARKS AND REC	10142001	737100	1093	$ 4,500.00
56	PROGRAM SUPPLIES - SPEC EVENTS - VETERANS DAY	10142001	737100	1095	$ 5,000.00
57	PROGRAM SUPPLIES - SPEC EVENTS - JULY 4TH	10142001	737109	1089	$ 2,000.00
58	PLAYHOUSE	10142002	732601		$ 17,000.00
59	OFFICE & OPERATING SUPPLIES - PLAYHOUSE	10142002	735100		$ 5,000.00
60	PROGRAM SUPPLIES - PLAYHOUSE	10142002	737134		$ 13,000.00
61	PLAYHOUSE EQUIPMENT	10142002	739500		$ 1,000.00
62	PROGRAM SUPPLIES - RECREATION PROGRAMS	10144001	736210		$ 14,400.00
63	PROGRAM SUPPLIES - AQUATICS	10144002	736210		$ 1,600.00
64	OFFICE & OPERATING SUPPLIES - ADULT SPORTS	10144004	735100		$ 1,800.00
65	ADULT SPORTS	10144004	736210		$ 1,600.00
66	OFFICE & OPERATING SUPPLIES - REC CENTERS	10144005	735100		$ 2,500.00
67	PROGRAM SUPPLIES - RECREATION CENTERS	10144005	736210		$ 3,000.00
68	EQUIPMENT UNDER $5K & ALL FURNITURE - REC CENTERS	10144005	739500		$ 1,300.00
70	OFFICE & OPERATING SUPPLIES - INFORMATION TECHNOLOGY (IT)	15316001	735100		$ 4,500.00
71	EQUIPMENT UNDER $5K & ALL FURNITURE - INFORMATION TECHNOLOGY	15316001	739500		$ 26,500.00
74	FLEET MAINTENANCE & REPAIR SUPPLIES	15433006	732600		$ 1,000.00
75	SUPPLIES EQUIPMENT FUEL & OIL - FLEET	15433006	734100		$ 500.00
76	PROGRAM SUPPLIES - SAVES	15719012	737183		$ 1,000.00
77	SENIOR CENTER	15741003	735100		$ 3,500.00
78	SENIOR CENTER	15741003	736210		$ 1,300.00
79	PARKS AND RECREATION	15742001	737100		$ 17,000.00
80	PROGRAM SUPPLIES - SPECIAL EVENTS - HOSTED EVENTS	15742001	737100	1099	$ 500.00
83	OFFICE & OPERATING SUPPLIES - TS MAINTENANCE	20733009	735100		$ 2,000.00
84	OFFICE & OPERATING SUPPLIES - TRAFFIC ENGINEERING	20732004	735100		$ 1,800.00
86	OFFICE & OPERATING SUPPLIES - STREET MAINTENANCE	20733001	735100		$ 3,300.00
87	STREET MAINTENANCE MATERIALS	21433001	738400		$ 1,500.00
88	EQUIPMENT UNDER $5K - STREET MAINTENANCE	20733001	739500		$ 1,500.00
89	OFFICE & OPERATING SUPPLIES - LANDSCAPE MAINTENANCE	25133003	735100	3610	$ 1,000.00
90	EQUIPMENT UNDER $5K - LANDSCAPE	25133003	739500	3610	$ 400.00
91	OFFICE & OPERATING SUPPLIES - SEWER	25433004	735100	2412	$ 2,500.00

Purchase Order 20270000 / Amazon Capital Services, Inc.

PO Line Number	Description	Org	Object	Project	Account Amt
92	EQUIPMENT UNDER $5K - SEWER MAINTENANCE	25433004	739500	2412	$ 1,000.00
93	PUBLIC WORKS	26034001	735100		$ 500.00
94	OFFICE & OPERATING SUPPLIES - MAND COSTS	29364002	735100		$ 2,400.00
95	WATERPARK	30041005	732800		$ 6,500.00
96	OFFICE & OPERATING SUPPLIES - WATER PARK	30041005	735100		$ 4,500.00
97	OFFICE & OPERATIONS - DRYTOWN/WATERPARK	30041005	737140		$ 6,000.00
98	OFFICE & OPERATING SUPPLIES - PALMDALE CCA	35028001	735100		$ 1,000.00
99	OFFICE AND OPERATING - AQUATICS	10144002	735100		$ 2,400.00
101	SPECIAL EVENT EQUIP UNDER $5K	10142001	736210	1091	$ 3,000.00
102	CONCERT SUPPLIES	10142001	735100	1088	$ 3,700.00
103	Supplies	10142001	739500	1091	$ 6,000.00
104	Supplies	10142001	736235	1088	$ 2,000.00
107	Fight Fentanyl Campaign Supplies	10111001	737220		$ 1,500.00
108	Supplies	10142001	737110	1088	$ 1,500.00
114	DRYTOWN	30041005	722330		$ 3,000.00
115	TRAFFIC SIGNAL SUPPLIES	20733009	739500		$ 2,000.00
116	OFFICE & OPERATING SUPPLIES - AQUATICS	10141006	735100		$ 1,000.00
117	OFFICE & OPERATING SUPPLIES - AQUATICS	10141006	732600		$ 3,000.00
118	OFFICE AND OPERATION C.P.P. PROGRAM SUPPLIES	15733008	737100		$ 1,000.00
119	PUBLIC SAFETY PROGRAM SUPPLIES	10125601	737100		$ 4,000.00
122	PARKS	10119011	735100		$ 800.00
123	Concessions/Lobby	10142002	737131		$ 4,000.00
124	OFFICE AND OPERATING SUPPLIES - CITYWIDE B&S	10122001	739400		$ 400.00
125	SPECIAL EVENTS - PUMPKIN PATCH	15761101	737133	1209	$ 10,000.00
126	PW CIP	10131004	735100		$ 2,000.00
127	Supplies	10164006	782902		$ 300.00
131	Headphones	15014101	735100		$ 900.00
132	OFFICE SUPPLIES - PARK AND REC	10124001	735100		$ 1,000.00
133	Furniture purchase	10112201	739500		$ 500.00
134	MISC FOR X-MAS PARTY	71015902	737302		$ 300.00
135	misc equipment	10115002	739500		$ 400.00
138	CIP PPE ACCOUNT	10131004	722440		$ 500.00
139	OFFICE AND OPERATING SUPPLIES	15719012	735100		$ 3,000.00
140	CONT SVCS-MARKETING & PROMO	10161101	722330		$ 2,500.00
	TOTAL PO 20270000				**$ 328,200.00**

Docusign Envelope ID: B6833C59-F5B7-4587-B244-A187C16DAADF

PRINCE WILLIAM COUNTY PUBLIC SCHOOLS
LAUNCHING THRIVING FUTURES

CONTRACT RENEWAL #3

August 21, 2025

Amazon.com Services LLC
(Amazon Business)
Brett Tuson
410 Terry Avenue North,
Seattle, WA 98109-5210

Re: Contract Renewal #3
Contract #R-TC-17006 – On-line Marketplace for Purchases of Products and Services

Dear Mr. Tuson:

This is to advise you that Prince William County Public Schools (PWCS) desires to renew the referenced contract for an additional two-year period in accordance with the "Contract Term" clause in the Contract. The current contract will expire on January 18, 2026.

Please advise me if you desire to renew the contract and prices in accordance with the terms of the contract by signing and returning this **Contract Renewal** form no later than September 4, 2025.

If you have any questions on this matter, please contact me by phone at 703-791-8744 or via email at bakerax@pwcs.edu.

Sincerely,

Angie Baker

Angie Baker, VCA
Buyer

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Acceptance Agreement

It is mutually agreed that the above-mentioned contract is renewed for the period of January 19, 2026 to January 18, 2028 and all terms and conditions in the original solicitation and contract shall remain the same.

Renew Contract: Yes: **X** No: _____

Rates to Remain the Same: Yes: **X** No: _____ If no, attach explanation and revised rates. Revised rates shall be effective on January 18, 2026, upon PWCS signature below.

Vendor: Brett Tuson _____ PWCS: Brian Burtner _____

Legally Authorized Signature — Legally Authorized Signature

Brett Tuson, Authorized Signatory

Print Name & Title

Colleen Keener, NIGP-CPP, CPPB, CPCP, VCO, VCA
Supervisor of Purchasing

Date: September 4, 2025 Date: Sep 9, 2025

BH

Signature: Brian Hall
Brian Hall (Aug 21, 2025 14:38:35 EDT)

Email: hallbm@pwcs.edu

Renewal 3 - R-TC-17006 - Amazon

Final Audit Report 2025-08-21

Created:	2025-08-21
By:	Angela Baker (BAKERAX@pwcs.edu)
Status:	Signed
Transaction ID:	CBJCHBCAABAAxDUeObxcyg0ViZIL9MaCj2rhmpfgCJoc

"Renewal 3 - R-TC-17006 - Amazon" History

Document created by Angela Baker (BAKERAX@pwcs.edu)
2025-08-21 - 6:28:02 PM GMT- IP address: 204.122.110.251

Document emailed to Brian Hall (hallbm@pwcs.edu) for signature
2025-08-21 - 6:28:49 PM GMT

Email viewed by Brian Hall (hallbm@pwcs.edu)
2025-08-21 - 6:38:06 PM GMT- IP address: 104.47.70.126

Document e-signed by Brian Hall (hallbm@pwcs.edu)
Signature Date: 2025-08-21 - 6:38:35 PM GMT - Time Source: server- IP address: 204.122.110.142

Agreement completed.
2025-08-21 - 6:38:35 PM GMT

Renewal 3 - R-TC-17006 - Amazon - vendor signed

Final Audit Report 2025-09-09

Created:	2025-09-08
By:	Angela Baker (BAKERAX@pwcs.edu)
Status:	Signed
Transaction ID:	CBJCHBCAABAA7xgVXblBEs9sOMCCmhetKUrGrlEFJV05

"Renewal 3 - R-TC-17006 - Amazon - vendor signed" History

Document created by Angela Baker (BAKERAX@pwcs.edu)
2025-09-08 - 2:40:48 PM GMT- IP address: 204.122.110.142

Document emailed to Brian Burtner (burtneba@pwcs.edu) for signature
2025-09-08 - 2:41:20 PM GMT

Email viewed by Brian Burtner (burtneba@pwcs.edu)
2025-09-09 - 2:49:30 PM GMT- IP address: 204.122.110.162

Document e-signed by Brian Burtner (burtneba@pwcs.edu)
Signature Date: 2025-09-09 - 2:49:58 PM GMT - Time Source: server- IP address: 204.122.110.162

Agreement completed.
2025-09-09 - 2:49:58 PM GMT

DocuSign Envelope ID: 189066A0-4379-4D02-99F3-838D1B3EAD70

CC OTH 00509992 2023 TR

PRINCE WILLIAM COUNTY PUBLIC SCHOOLS
LAUNCHING THRIVING FUTURES

September 18, 2023

Amazon.com Services LLC
(Amazon Business)
Attn: Brett Tuson
Seattle, WA 98109-5210

Re: Contract Renewal
Contract #R-TC-17006 – On-line Marketplace for Purchases of Products and Services

Dear Mr. Tuson:

This is to advise you that Prince William County Public Schools (PWCS desires to renew the referenced contract for an additional two-year period in accordance with the Section 3. CONTRACT TERM AND RENEWAL clause in the Contract. We will be exercising the second of three renewals, each of the renewals to be an additional two (2) year period. The current contract expires January 18, 2024.

Please advise me if you desire to renew the contract and prices in accordance with the terms of the contract by signing and returning this **Contract Renewal** form no later than November 6, 2023. In addition to this renewal, you must also provide an updated copy of your **Certificate of Insurance (COI)** with Prince William County School Board listed as an additional insured. The Certificate Holder address can be added to the COI as follows: *P.O. Box 389, Manassa, VA 20108.*

If you have any questions on this matter, please contact me by phone at (703) 791-8888 or via email at sobersk@pwcs.edu.

Sincerely,

Karen L Sobers

Karen Sobers, CPPB
Senior Buyer

Acceptance Agreement

It is mutually agreed that the above-mentioned contract is renewed for the period of **January 19, 2024** to **January 18, 2026** and all terms and conditions in the original solicitation and contract shall remain the same.

Renew Contract: Yes: X No: _____

Prices and/or Discounts to Remain the Same: Yes: X No: _____ If no, explain under separate cover.

Vendor: DocuSigned by: Brett Tuson — Legally Authorized Signature

Brett Tuson Authorized Signatory
Print Name & Title

Date: October 30, 2023

Purchasing: Colleen Keener — Legally Authorized Signature

Colleen Keener, CPPB, CPCP, VCO, VCA
Supervisor of Purchasing

Date: 11/6/2023

DocuSign Envelope ID: 132E1B06-DAC7-4B79-A6BB-7704008E9C33

Prince William County
PUBLIC SCHOOLS
Providing A World-Class Education

CONTRACT RENEWAL

October 4, 2021

Amazon.com Services LLC
(Amazon Business)
Mike Kernish, Director
410 Terry Avenue North,
Seattle, WA 98109-5210

Re: Contract Renewal #1
Contract # R-TC-17006 – On-line Marketplace for Purchases of Products and Services

Dear Mr. Kernish:

This is to advise you that Prince William County Public Schools (PWCS) desires to renew the referenced contract for an additional two-year period in accordance with Section 3. CONTRACT TERM AND RENEWAL clause in the Contract. We will be exercising the first renewal of three renewals, each of the renewals to be an additional two (2) year period. The current contract term will expire on January 18, 2022.

Please advise me if you desire to renew the contract and prices in accordance with the terms of the contract by signing and returning this **Contract Renewal** form no later than December 10, 2021. In addition to this renewal, you must also provide an updated copy of your **Certificate of Insurance (COI)** with the **Prince William County School Board** listed as an **Additional Insured** as well as the Certificate Holder. The Certificate Holder address can be added to the COI as follows: *P.O. Box 389, Manassas VA 20108.*

If you have any questions on this matter, please contact me by phone at (703) 791-8096 or via email at FredriAM@pwcs.edu.

Sincerely,

Angela M. Fredrickson
Buyer

==========

Acceptance Agreement

It is mutually agreed that the above-mentioned contract is renewed for the period of January 19, 2022 to January 18, 2024 and all terms and conditions in the original solicitation and contract shall remain the same.

Renew Contract: Yes: X No: _____

Prices and/or Discounts to Remain the Same: Yes: X No: _____ If no, explain under separate cover.

Vendor: DocuSigned by: Mike Kernish
Legally Authorized Signature

Purchasing: Anthony E. Crosby
Legally Authorized Signature

Mike Kernish Authorized Signatory
Print Name & Title

Anthony Crosby, CPPO
Supervisor of Purchasing, Acting

Date: December 1, 2021

Date: 11/1/21

Prince William County
PUBLIC SCHOOLS
Providing A World-Class Education

CONTRACT NUMBER: R-TC-17006

This Contract entered into this 19th day of January 2017 by, ***Amazon Services, LLC, Amazon Business, 325 9th Avenue N., Seattle, WA 98109,*** *hereinafter referred to as the "Contractor" and* ***Prince William County School Board, P.O. Box 389, Manassas, VA 20108****, hereinafter referred to as the "Prince William County Public Schools", "Purchasing Agency" or "PWCS".*

WITNESSETH *that the Contractor and PWCS, in consideration of the mutual covenants, promises and agreements herein contained, agree as follows:*

1. **SCOPE OF CONTRACT**: Contractor shall provide an On-Line Marketplace for the Purchase of Products and Services in accordance with the Statement of Needs, General Terms and Conditions and Special Terms and Conditions stated herein.

2. **CONTRACT DOCUMENTS**: The contract documents shall consist of the following:

   2.1. This signed Contract document;

   2.2. Memorandum of Negotiations dated January 19, 2017.

3. **CONTRACT TERM AND RENEWAL:**

   3.1. The initial term of this contract shall be from the date of award, January 19, 2017 to January 18, 2022, with the option to renew for three (3) additional two (2)-one-year periods, upon mutual written consent of the parties to the contract. Proposed prices shall remain firm for the initial term of the contract.

4. **CONTRACT ADMINISTRATOR/PROJECT MANAGER**: The following PWCS employees are identified to use all powers under the contract to enforce its faithful performance:

   4.1. CONTRACT ADMINISTRATOR: As the Contract Administrator, the following individual, or his/her designee, shall serve as the interpreter of the conditions of the contract and shall use all powers under the contract to enforce its faithful performance.

LEGAL

4.2. PROJECT MANAGER: The following individuals shall work directly with the Contractor in scheduling and coordinating work, answering questions in connection with the scope of work, and providing general direction under the resulting contract:

5. **TIME OF PERFORMANCE**: In accordance with Contractor's proposal, Section 4.2.2. and 5.3.2.

6. **PRICING:** In accordance with Contractor's proposal, Section 4.2.1.

7. **PAYMENT TERMS**: In accordance with Contractor's proposal, Section 5.3.6.

Prince William County does not discriminate against faith-based organizations in accordance with the *Code of Virginia*, §2.2-4343.1 or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

This contract shall constitute the whole agreement between the parties. There are no promises, terms and conditions, or obligations other than those contained herein, and this contract shall supersede all previous communications, representations, or agreements, written or verbal, between the parties hereto related to the provision of goods (including leases thereof), services and/or insurances described herein.

IN WITNESS THEREOF, the parties have caused this Contract to be executed by the following duly authorized officials:

CONTRACTOR:

Authorized Signature

Prentis D. Wilson, Jr.
Type Name

Vice President
Title

Jan 27, 2017
Date

PURCHASING AGENCY:

Authorized Signature

Jim Totty, CPPO, C.P.M.
Type Name

Supervisor of Purchasing
Title

1-31-17
Date

LEGAL

Prince William County
PUBLIC SCHOOLS
Providing A World-Class Education

MEMORANDUM OF NEGOTIATIONS
R-TC-17006
Dated: January 19, 2017

Prince William County Schools (hereinafter called PWCS) and Amazon Services, LLC (hereinafter called the Contractor) hereby agree to the following in the execution of Contract R-TC-17006 for On-Line Marketplace for the Purchases of Products and Services. The final Contract contains the following documents listed in the order of precedence:

a. Contractor's proposal dated October 14, 2016;
b. Contractor's response to Clarification Questions dated October 31, 2016, attached;
c. PWCS's Request for Proposal, R-TC-17006 and all Addendum #1;
d. Contractor's Business Accounts Terms and Conditions (currently available at https://www.amazon.com/gp/help/customer/display.html?nodeId=201613180), attached;
e. PWCS's General Terms and Conditions, Section 11 (RFP – Revised 12/16/16), attached;
f. This Memorandum of Negotiations;
g. Any subsequent modifications to the Contract.

1. The contract term shall remain as originally issued in the RFP, as follows:

   9.1. The initial term of this contract shall be five years (5) from **the date of award to December 30, 2021**, with the option to renew for three-two (2) year periods, upon mutual written consent of the parties to the contract.

2. Amazon Whispercast is not being offered upon award but will remain in scope for future offerings by the Contractor. In addition, all new Amazon business opportunities may be modified to the Contract by mutual agreement between the Contractor and PWCS.

LEGAL

3. The following provision is added to PWCS Special Terms and Conditions:

   10.7 NOTICE OF DEFERRAL UNDER FEDERAL GRANT UNIFORM GUIDANCE: As permitted under the rule published at 80 FR 54407, Prince William County Schools is electing to defer until July 1, 2017, the implementation of the procurement provisions of the Uniform Guidance, as detailed in 2 CFR 200 subsections .317 through .326. During this period, we will continue to operate under the guidance of 44 C.F.R. § 13.36(a)-(i) (States, Local and Tribal governments) and 2 C.F.R. 215.40-48 (Institutions of Higher Education, Hospitals, and Private Non-Profits). This provision shall constitute the documentation of this decision as required, and shall be deemed incorporated into our internal procurement policies.

4. Contractor's response to Clarification Questions dated October 31, 2016, Question #1: The State of Iowa is hereby removed as an excluded state and allowed use of the Master Agreement award.

ACCEPTED BY:

Contractor Authorized Signature — Date: Jan 27, 2017

Title: Vice President

Jim Totty, C.P.M., CPPO
Supervisor of Purchasing — Date: 1/31/17

City Council Staff Report

DATE: **JUNE 2, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT PLANNING DIVISION**

DISTRICT: **ALL**

SUBJECT: **APPROVE 33 NON-PROFIT ORGANIZATIONS, INCLUDING THEIR PROPOSED LOCATIONS FOR FIREWORKS STANDS, AND RECOMMEND PERMIT ISSUANCE**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve 33 non-profit organizations, including their proposed locations for fireworks stands, and recommend permit issuance; and,

2. Authorize the City Manager or his designee to issue 33 firework stand permits for non-profit organizations, including minimal and/or non-substantial changes.

BACKGROUND

Each year, the City administers the application process for the sale of Safe and Sane Fireworks. Fireworks sales will occur from 12 pm on June 28, 2026, to 12 pm on July 5, 2026. According to Palmdale Municipal Code (PMC) Section 8.04.490 (Fireworks — Permit— Eligible organizations), all proposed fireworks stands must be operated by non-profit organizations for fundraising purposes. To be eligible, each organization must meet the following criteria:

- Be a non-profit organization primarily for youth, veterans, patriotic, welfare, civic betterment, or charitable purposes;

- Have its principal meeting place in the City, or draw more than 50 percent of its active members from within the incorporated City;

- Have been organized and established in the area that is within the City for at least 12 months preceding the filing; and,

- Have at least 20 members.

As specified within PMC Section 17.98.020.E.1.a (Temporary Uses), fireworks stands are allowed in any zone provided that the site is:

- Not residentially developed;
- 200 feet from any residential use; and,
- Not located in a very high fire hazard severity zone.

DISCUSSION

As specified within PMC Section 8.04.500.E (Fireworks – Stand – Operation), one fireworks stand is permitted for every 3,000 residents. According to the California Department of Finance, Palmdale's current population is estimated to be 167,097; therefore, a maximum of 55 stands may be authorized.

33 qualifying non-profit organizations have submitted applications to operate fireworks stands. Of these, 29 are returning applicants from 2025. All organizations have satisfied the eligibility criteria and met the application requirements outlined in the PMC.

The proposed operators and their stand locations are summarized in Table 1, and a map is included as Attachment 1.

TABLE 1 – PROPOSED FIREWORKS OPERATORS AND STAND LOCATIONS

	Organization	Stand Location
1.	Antelope Valley Desert Divers, Inc.	5038 West Avenue N
2.	The Palmdale Aerospace Academy PTSO	3875 West Rancho Vista Boulevard (Neighborhood Walmart parking lot)
3.	Highland Youth Football	Vacant lot south of Rancho Vista Boulevard and Avenue O-8
4.	Cornerstone Apostolic Church of Antelope Valley	3167 Rancho Vista Boulevard
5.	World Harvest Christian Outreach	39700 30th Street West (Marie Kerr Park)
6.	Palmdale Vineyard	North of 41843 10th Street West
7.	Crosswind Community Church	41337 10th Street West (church parking lot)
8.	Redeemed Recovery Home	40437 10th Street West

TABLE 1 – PROPOSED FIREWORKS OPERATORS AND STAND LOCATIONS (CONTINUED)

	Organization	Stand Location
9.	Lancaster Eagles Wrestling Boosters Inc.	40130 10th Street West (Walmart parking lot near Sonic Drive-In)
10.	Palmdale Elks Lodge #2027	39940 10th Street West (Sam's Club parking lot, east of Panda Express)
11.	Adorable Baby's Jump Start	1301 West Rancho Vista Boulevard
12.	Antelope Valley Youth Athletics, Inc.	1123 West Rancho Vista Boulevard (10th Street West entrance)
13.	American Indian Little League	39626 10th Street West (south of Applebee's)
14.	Kingdom Builders	39522 10th Street West (parking lot south of Sharky's Woodfired Mexican Grill)
15.	St. Stephen's of the Valley Lutheran Church	38727 Tierra Subida Avenue (Albertson's parking lot)
16.	AV Flag Football	856 West Palmdale Boulevard
17.	Feed My Flock Outreach Ministry	412 W Rancho Vista Boulevard
18.	Love and Grace Christian Fellowship Church, Inc.	Vacant lot on the west side of Sierra Highway, south of Rancho Vista Boulevard
19.	The Highland Gridiron Booster Club	266 East Palmdale Boulevard
20.	True Memories Car Club Charities Inc.	442 East Palmdale Boulevard
21.	Kiwanis Club of Palmdale	1803 East Palmdale Boulevard
22.	Lions Club of Palmdale	2049 East Palmdale Boulevard
23.	U.S. Naval Sea Cadets Corps RADM Charles W Parks Battalion	2520 East Palmdale Boulevard
24.	Next Dimension Ministries Church	Southeast corner of Sierra Highway and Avenue S
25.	Victory Outreach	37419 25th Street East
26.	Community Development Center USA	2419 East Avenue S
27.	The Highland High School Instrumental Music Booster Club	2535 East Avenue S (Stater Bros parking lot)

TABLE 1 – PROPOSED FIREWORKS OPERATORS AND STAND LOCATIONS (CONTINUED)

	Organization	Stand Location
28.	DDE Academy, Inc.	37716 55th Street East (Domenic Massari Park)
29.	Marine Corps League, Antelope Valley Detachment 930	37218 47th Street East (Stater Bros parking lot)
30.	Palmdale Repertory Theatre	37140 47th Street East (Walmart parking lot)
31.	Knight High School Wrestling Team Booster Club	5100 East Avenue S (Yellen Park)
32.	St. Mary's Catholic Church	4343 Pearblossom Highway Vacant lot located at the Northwest corner of Pearblossom Highway and 45th Street East
33.	LACOSEPA	5645 East Avenue T (vacant lot)

FISCAL IMPACT

$33,391 (Revenue); The total projected revenue to the City's General Fund is $33,391. This includes contributions from 29 renewing organizations at $1,007 each and four new organizations at $1,047 each. Each organization's fee includes a $575.50 allocation dedicated to fireworks enforcement.

STRATEGIC PLAN

Goal IV: Maintain a desirable community where everyone wants to live, work, and play.

D. Develop and maintain diverse programs and events that inspire growth, pride, and lifelong learning.

Prepared by:	Megan Taggart, Director of Economic and Community Development
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Map - Fireworks Stand Location 2026

Fireworks Stand Location Map 2026

	Organization	Stand Location
1	ANTELOPE VALLEY DESERT DIVERS INC.	5038 W AVENUE N
2	THE PALMDALE AEROSPACE ACADEMY PTSO	3875 W RANCHO VISTA BLVD
3	HIGHLAND YOUTH FOOTBALL	VACANT LOT, CORNER OF RANCHO VISTA BLVD AND AVENUE O-8
4	CORNERSTONE APOSTOLIC CHURCH OF ANTELOPE VALLEY	3167 RANCHO VISTA BLVD
5	WORLD HARVEST CHRISTIAN OUTREACH	MARIE KERR PARK: 39700 30TH ST W
6	PALMDALE VINEYARD	NORTH OF 41843 10TH ST W
7	CROSSWIND COMMUNITY CHURCH	41337 10TH ST W
8	REDEEMED RECOVERY HOME	40437 10TH ST W
9	LANCASTER EAGLES WRESTLING BOOSTERS INC.	40130 10TH ST W
10	PALMDALE ELKS LODGE #2027	39940 10TH ST W
11	ADORABLE BABY'S JUMP START	1301 W RANCHO VISTA BLVD
12	ANTELOPE VALLEY YOUTH ATHLETICS INC.	1123 W RANCHO VISTA BLVD
13	AMERICAN INDIAN LITTLE LEAGUE	39626 10TH ST W
14	KINGDOM BUILDERS	39522 10TH ST W
15	ST. STEPHENS OF THE VALLEY LUTHERAN CHURCH	38727 TIERRA SUBIDA AVE
16	AV FLAG FOOTBALL	856 W PALMDALE BLVD
17	FEED MY FLOCK OUTREACH MINISTRY	412 W RANCHO VISTA BLVD
18	LOVE AND GRACE CHRISTIAN FELLOWSHIP CHURCH, INC.	SOUTHWEST CORNER OF RANCHO VISTA BLVD AND SIERRA HWY
19	THE HIGHLAND GRIDIRON BOOSTER CLUB	266 E PALMDALE BLVD
20	TRUE MEMORIES CAR CLUB CHARITIES INC.	442 E PALMDALE BLVD
21	KIWANIS CLUB OF PALMDALE	1803 E PALMDALE BLVD
22	LIONS CLUB OF PALMDALE INC.	2049 E PALMDALE BLVD
23	U.S. NAVAL SEA CADETS CORPS RADM CHARLES W PARKS BATTALION	2520 E PALMDALE BLVD
24	NEXT DIMENSION MINISTRIES CHURCH	SOUTHEAST CORNER OF SIERRA HWY AND AVENUE S
25	VICTORY OUTREACH	37419 25TH ST E
26	COMMUNITY DEVELOPMENT CENTER USA	2419 E AVENUE S
27	THE HIGHLAND HIGH SCHOOL INSTRUMENTAL MUSIC BOOSTER CLUB	2535 E AVENUE S
28	DDE ACADEMY INC	DOMENIC MASSARI PARK: 37716 55TH ST E
29	MARINE CORPS LEAGUE	37218 47TH ST E
30	PALMDALE REPERTORY THEATRE	37140 47TH ST E
31	KNIGHT HIGH SCHOOL WRESTLING TEAM BOOSTER CLUB	YELLEN PARK: 5100 E AVENUE S
32	ST MARY'S CATHOLIC CHURCH	4343 PEARBLOSSOM HWY: VACANT LOT, NORTHWEST CORNER OF PEARBLOSSOM HWY AND 45TH ST E
33	LACOSEPA	5645 E AVENUE T

DISCLAIMER: CONFIDENTIALITY NOTICE.

THE CITY OF PALMDALE HAS MADE EVERY EFFORT TO ENSURE THAT THIS MAP IS CORRECT; NEVERTHELESS, SOME INFORMATION MAY NOT BE ENTIRELY ACCURATE.

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PALMDALE
a place to call home

City of Palmdale Safe & Sane Fireworks Stands 2026

City of Palmdale ★ Fireworks Stand Location

LACO: Unincorporated LA County Pocket

N W E S

0 0.5 1 2 3 4 Miles

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City of Palmdale, Los Angeles County Assessor's Office, Environmental Systems Research Institute (ESRI) Data & Maps, United States Geological Survey (USGS), California Department of Forestry and Fire Protection (FRAP) & Tele Atlas (courtesy of the Southern California Association of Governments (SCAG)).

City Council Staff Report

DATE: **JUNE 2, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT**
VISIT PALMDALE

DISTRICT: **ALL**

SUBJECT: **RECEIVE AND FILE THE ANNUAL REPORT FOR THE PALMDALE TOURISM IMPROVEMENT DISTRICT (PTID) FOR FISCAL YEAR 2025-26**

RECOMMENDATION

Staff recommend that the City Council:

1. Receive and file the annual report for the Palmdale Tourism Improvement District (PTID) for Fiscal Year 2025-26.

BACKGROUND

The PTID was formed in 2021 pursuant to the Property and Business Improvement Law of 1994, Streets and Highways Code § 36600 et seq. (94 Law). Visit Palmdale, the designated Owners' Association for the PTID, is required to present an annual report to the City Council for the upcoming FY.

In 2021, the City Council approved the formation of the PTID, which is a benefit assessment district proposed to help fund sales, marketing, and communications, and destination development programs for all Palmdale lodging businesses. The PTID includes all existing and future lodging businesses available for public occupancy located within the City's boundaries. The two percent assessment began on November 1, 2021, for an initial five-year term.

In the fall of 2024, the City Council approved the renewal of the PTID for an additional nine years and eight months, extending the PTID through July 2036.

DISCUSSION

Visit Palmdale is a non-profit organization formed and designated to serve as the Owners' Association pursuant to Streets and Highways Code §36651. Visit Palmdale manages matters related to the PTID, including, but not limited to, management of assessment funds and full decision-making authority regarding PTID programs in accordance with the adopted PTID Management District Plan (MDP). The annual

reports provide a broad overview of how the PTID funds are projected to be utilized in alignment with the adopted budget.

During the first four years of operation, Visit Palmdale has established partnerships with the City of Palmdale, Edwards Air Force Base, Air Force Plant 42, Antelope Valley Fair, hotel partners, and AV Alta. Additionally, Visit Palmdale hosts the annual High Desert Beer and Wine Festival at the Palmdale Amphitheater, which has been highly successful.

In FY 2025-26, Visit Palmdale aims to expand its programming initiatives through strategic collaboration with the City of Palmdale. Key efforts include increasing financial support for the region's Film Incentive Program and developing a Digital Film Encyclopedic Museum that celebrates the rich history of film, television, and media production throughout Greater Antelope Valley.

The cost of providing improvements and activities for FY 2025-26 is consistent with the MDP. The categorical breakdown and FY 2025-26 actuals are detailed in the attached annual report. All budget category allocations are within the authorized 15 percent adjustment of the total budget from the prior year as required by the MDP.

FISCAL IMPACT

$59,353.01; The City received a fee of one percent of the total amount collected ($9,353.01) to cover the costs of collecting the assessment from the hotel partners. In addition, the City receives an annual $50,000 reimbursement to administer the day-to-day activities of Visit Palmdale.

STRATEGIC PLAN

Goal IV: Maintain a desirable community where everyone wants to live, work and play.

D. Develop and maintain diverse programs and events that inspire growth, pride and lifelong learning.

Prepared by:	Megan Taggart, Director of Economic and Community Development
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Rpt. PTID Annual Report for FY 2025-26



Palmdale Tourism Improvement District

2025-2026 Annual Report

Submitted to the City of Palmdale pursuant to Streets and Highways Code Section 36650, for the period from November 1, 2025, through October 31, 2026

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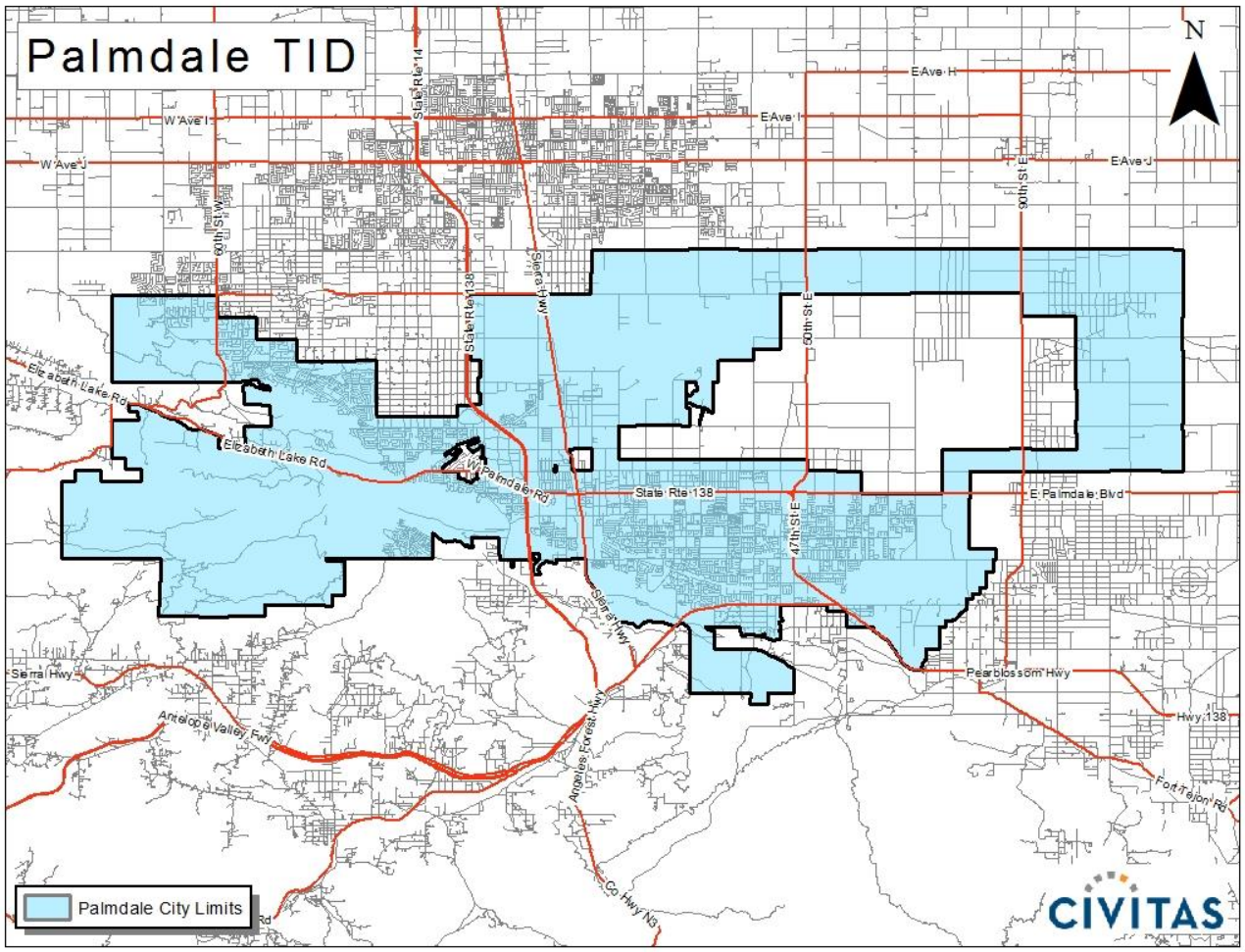
Boundaries

There are no proposed changes to the boundaries for fiscal year 2025/2026. One new lodging business has opened:

- WoodSpring Suites Palmdale – 1044 Avenue O-8, Palmdale CA 93551.

The Palmdale Tourism Improvement District (PTID) will continue to include all lodging businesses, existing and in the future, available for public occupancy located within the boundaries of the City of Palmdale, as shown on the map below.

A complete listing of lodging businesses currently within the PTID can be found in the Appendix.



2024/2025 Accomplishments

In fiscal year 2024/2025, the PTID worked to promote overnight visitation and support assessed businesses. Key accomplishments include:

- 4th Annual High Desert Beer and Wine Festival
- Palmdale Film Incentive Program
- Digital Film Encyclopedic Museum on the history of media in the Greater Antelope Valley

Improvements and Activities

For fiscal year 2025/2026, the improvements and activities to be provided are consistent with the Management District Plan (Plan).

Sales, Marketing, and Communications

A sales, marketing and communications program will continue to promote assessed businesses as tourist, meeting, and event destinations. The sales, marketing and communications program will continue to have a central theme of promoting the destination as a desirable place for overnight visits. The program will continue to have the goal of increasing demand for overnight visitation and sales at assessed businesses, and may include the following activities:

- Development of a marketing plan to ensure district funds are strategically spent to market assessed businesses;
- Internet marketing efforts to increase awareness and optimize internet presence to drive overnight visitation to assessed businesses;
- Content development for photoshoots and video shoots for digital promotion, featuring assessed businesses to drive overnight visitation and sales to assessed businesses;
- Preparation and production of collateral promotional materials such as brochures, visitor guides, promotional items, postcards, flyers and maps featuring assessed businesses;
- Advertising targeted at potential visitors to drive overnight visitation and sales to assessed businesses;
- Implementation of a public relations and communications strategy, inclusive of social media outlets and press release distribution designed to drive overnight visitation and increase sales at assessed businesses;
- Attendance of trade shows, professional industry conferences, and affiliation events to promote assessed businesses;
- Lead generation activities designed to attract tourists, business travelers, and group events to assessed businesses;
- Familiarization tours of assessed businesses;
- Visitor Service programs and enhancements, such as kiosks and Visitor Centers, that will enhance the visitor experience;

- Director of Sales and General Manager meetings to plan and coordinate tourism promotion efforts for assessed businesses;
- Joint partnerships with local businesses as well as local and state tourism organizations to increase overnight visitation at assessed businesses; and
- Development of Visitor Studies and Return on Investment (ROI) analysis on effectiveness of district funds to improve effectiveness and increase demand for overnight visitation at assessed businesses.

Destination Product Development

The Destination Project Development projects may continue to include:

- Infrastructure improvements that enhance the destination's competitive position to attract visitors, filming, sporting events, and special events year-round, to increase sales at assessed businesses;
- Comprehensive and integrated wayfinding signage system and/or banner program targeted to increase demand for visitation and increase sales at assessed businesses; and
- Other programs and activities that will enhance the visitor experience to increase sales at assessed businesses.

Administration and Operations

The administration and operations portion of the budget shall continue to be utilized for administrative staffing costs, office costs, and other general administrative costs such as insurance, audits, legal, and accounting fees.

Contingency/Reserve

The budget includes a contingency line item to continue to account for uncollected assessments, or higher than anticipated program costs, if any. If there are contingency funds collected, they may be held in a reserve fund or utilized for other program or administration costs at the discretion of the Board. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve fund shall be set by the Board of the Owners' Association.

Additionally, in the event there are contingency/reserve funds remaining near the end of the PTID's term, contingency/reserve funds may be used for the cost of renewing the PTID.

City Collection Fee

The City shall continue to retain a fee equal to one percent of the amount of assessments collected, to cover collection and administration costs.

Cost

FY 2025/2026 Projections

The cost of providing improvements and activities for fiscal year 2025/2026 is consistent with the Plan. The anticipated total budget for fiscal year 2025/2026 is $1,100,000 in anticipated collections and $1,597,845 in carryover from previous years, for a total estimated budget of $2,697,845. The estimated categorical breakdown for fiscal year 2025/2026 is below. All budget category allocations are within the authorized 15 percent adjustment of the total budget from the prior year.

Category	**FY 2025/2026 Estimated Collections**	**% of Budget**
Sales, Marketing & Communications	$902,000	82%
Destination Development	$66,000	6%
Administration	$99,000	9%
Contingency/Reserve	$22,000	2%
City Fee	$11,000	1%
Total	$1,100,000	100%

FY 2024/2025 Actuals

The projected fiscal year 2024/2025 assessment collections were $1,100,000. Actual collections were slightly less than anticipated, totaling $924,948.43. Budgeted and actual expenses are shown below.

Category	**FY 2024/2025 Budgeted**		**FY 2024/2025 Actual**			
	$	%	$ Actual	%	$ Spent	$ Carryover
Sales, Marketing & Communications	$891,000	81%	$749,208.23	81%	$697,449.12	$51,759.11
Destination Development	$66,000	6%	$55,496.91	6%	$6,841.15	$48,655.76
Administration	$110,000	10%	$92,494.84	10%	$108,263.91	-$15,769.07
Contingency/Reserve	$22,000	2%	$18,498.97	2%	$5,200.00	$13,298.97
City Fee	$11,000	1%	$9,249.48	1%	$9,353.01	-$103.53
Total	**$1,100,000**	**100%**	**$924,948.43**	**100%**	**$827,107.19**	**$97,841.24**

**Note that the carryover amount of $97,841.24 only includes carryover in assessment revenue from the previous fiscal year. A total carryover amount, including carryover from multiple years, is approximately $1,597,845.*

Assessment

There is no change in the method and basis of levying the assessment.

Assessment Rate

The annual assessment rate is two percent of gross short term room rental revenue. Based on the benefit received, assessments will not be collected on: stays of more than 30 consecutive days; stays of any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty; and stays pursuant to contracts executed prior to November 1, 2021.

The term "gross room rental revenue" as used herein means: the consideration charged, whether or not received, for the occupancy of space in a hotel, valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash credits and property and services of any kind or nature, without any deduction therefrom whatsoever. Gross room rental revenue shall not include any federal, state or local taxes collected, including but not limited to transient occupancy taxes.

The assessment is levied upon and a direct obligation of the assessed lodging business. However, the assessed lodging business may, at its discretion, pass the assessment on to transients. The amount of assessment, if passed on to each transient, shall be disclosed in advance and separately stated from the amount of rent charged and any other applicable taxes, and each transient shall receive a receipt for payment from the business. If the PTID assessment is identified separately it shall be disclosed as the "PTID Assessment." As an alternative, the disclosure may include the amount of the PTID assessment and the amount of the assessment imposed pursuant to the California Tourism Marketing Act, Government Code §13995 et seq. and shall be disclosed as the "Tourism Assessment." The assessment is imposed solely upon, and is the sole obligation of the assessed lodging business even if it is passed on to transients. The assessment shall not be considered revenue for any purpose, including calculation of transient occupancy taxes.

Bonds shall not be issued.

Time and Manner for Collecting Assessments

The City will continue to be responsible for collecting the assessment on a monthly basis (including any delinquencies, penalties and interest) from each lodging business. The City shall take all reasonable efforts to collect the assessments from each lodging business. The City shall forward the assessments collected to the Owners' Association, Visit Palmdale.

Penalties and Interest

The PTID shall continue to reimburse the City of Palmdale for any costs associated with collecting unpaid assessments. If sums in excess of the delinquent PTID assessment are sought to be recovered in the same collection action by the City, the

PTID shall bear its pro rata share of such collection costs. Assessed businesses which are delinquent in paying the assessment shall be responsible for paying:

1. ***Original Delinquency:*** Any lodging business owner who fails to remit any assessment imposed by this section within the time required shall pay a penalty of 10 percent of the amount of the unpaid assessment in addition to the amount of the assessment.
2. ***Continued Delinquency:*** Any lodging business owner who fails to remit any delinquent remittance on or before a period of thirty (30) days following the date on which the remittance first became delinquent shall pay a second delinquency penalty of 10 percent of the amount of unpaid assessment, in addition to the amount of the assessment and the 10 percent penalty first imposed.
3. ***Fraud:*** If the City determines that the nonpayment of any remittance due under this section is due to fraud, a penalty of 25 percent of the amount of the assessment shall be added thereto in addition to the penalties stated in this section.
4. ***Interest:*** In addition to the penalties imposed, any lodging business owner who fails to remit any assessment imposed by this section shall pay interest at the rate of one and one-half percent per month or fraction thereof on the amount of unpaid assessment, exclusive of penalties, from the date on which the remittance first became delinquent until paid.
5. ***Penalties Merged with Assessment:*** Every penalty imposed and such interest as accrues under the provisions of this chapter shall become a part of the assessment herein required to be paid.

Surplus and Other Funding

Surplus

The amount of surplus to be carried over from the previous years is approximately $1,597,845.

Other Funding

Contributions from sources other than PTID assessment funds are expected for fiscal year 2025/2026. An estimated $10,000 is anticipated from the High Desert Beer and Wine Festival.

Appendix – Assessed Businesses

Lodging Business	Business Address
Best Western	600 W Palmdale Blvd, Palmdale, CA 93551
Courtyard by Marriott	530 W Rancho Vista Blvd, Palmdale, CA 93551
Doubletree Palmdale	300 W Palmdale Blvd, Palmdale, CA 93551
Element Hotel	39325 Trade Center Drive, Palmdale, CA 93551
Embassy Suites	39375 5th St W, Palmdale, CA 93551
Palm Inn & Suites	430 W Palmdale Blvd, Palmdale, CA 93551
Fairfield Inn & Suites	1052 W Ave O-8, Palmdale, CA 93551
Hampton Inn and Suites	9428 Trade Center Dr, Palmdale, CA 93551
Hilton Garden Inn Palmdale	1309 W Rancho Vista Blvd, Palmdale, CA 93551
Holiday Inn	38630 5th St W, Palmdale, CA 93551
Home2 Suites	38750 5th St W, Palmdale, CA 93551
Motel 6	407 West Palmdale Blvd, Palmdale, CA, 93551
OYO Hotel	217 E Palmdale Blvd, Palmdale, CA 93550
Palm Motel	38535 6th St E, Palmdale, CA 93550
Red Roof Inn	200 W Palmdale Blvd, Palmdale, CA 93551
Residence Inn by Marriot	514 West Avenue P, Rancho Vista Blvd, Palmdale, CA 93551
Sherwood Motel	1331 E Palmdale Blvd, Palmdale, CA 93550
Staybridge Suites Palmdale	420 W Park Dr, Palmdale, CA 93551
WoodSpring Suites Palmdale	1044 Avenue O-8, Palmdale CA 93551

City Council Staff Report

DATE: **JUNE 2, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC SAFETY DEPARTMENT**

DISTRICT: **ALL**

SUBJECT: **APPROVE AGREEMENT WITH CIVICA LAW GROUP, APC FOR LEGAL SERVICES FOR CRIMINAL PROSECUTION OF PALMDALE MUNICIPAL CODE VIOLATIONS IN AN AMOUNT NOT TO EXCEED $190,000 FOR A TWO-YEAR TERM THROUGH JUNE 30, 2028**

RECOMMENDATION

Staff recommend that the City Council:

1. Approve Agreement No. A-9871 with Civica Law Group, APC for legal services for criminal prosecution of Palmdale Municipal Code violations in an amount not to exceed $190,000 for a two-year term through June 30, 2028; and

2. Authorize the City Manager or his designee to execute Agreement No. A-9871 with Civica Law Group, APC, including minimal and/or non-substantial changes.

BACKGROUND

The City of Palmdale contracts for specialized legal services to support the prosecution of Municipal Code violations. These enforcement actions are generally initiated by the Los Angeles County Sheriff's Department through the issuance of citations or the referral of cases involving violations of the Palmdale Municipal Code.

Civica Law Group, APC, previously provided these prosecution services to the City under Agreement No. A-8698. During the term of that agreement, 233 cases were referred for prosecution, resulting in 130 bench warrants issued, reflecting court enforcement actions taken when defendants failed to appear or comply with court orders. Of those cases, 36 have been resolved, one case has been closed, and 196 remain active or pending adjudication.

The proposed Agreement No. A-9871 would establish a new two-year agreement, effective July 1, 2026, with a not-to-exceed amount of $190,000 for continued prosecution services. Under the proposed agreement, Civica Law Group, APC, will continue to

represent the City in criminal proceedings related to Municipal Code enforcement matters, including case review and preparation, court appearances, and coordination with City staff, the Los Angeles County Sheriff's Department, and other involved parties.

DISCUSSION

Approval of the proposed agreement will allow the City to continue prosecution services necessary to support Municipal Code enforcement efforts. These services ensure that violations cited by the Los Angeles County Sheriff's Department are processed through the judicial system in a timely and consistent manner.

Civica Law Group, APC, possesses experience in municipal prosecution and has developed familiarity with the City's Municipal Code, court procedures, and the coordination required among law enforcement agencies, the courts, and City staff. Continuing with the firm will support efficient case management and minimize disruption to ongoing enforcement activities and pending cases.

Maintaining these prosecution services supports the City's efforts to uphold compliance with local laws, protect public health and safety, and preserve the quality of life within the community.

FISCAL IMPACT

$190,000; Funds are proposed in the FY 2026-27 annual budget in the City Attorney's Prosecuting Attorney account. Sufficient funds will be requested in each subsequent fiscal year's budget.

STRATEGIC PLAN

Goal I: Maintain effective public safety and protection for life, property and the environment.

A. Provide comprehensive and innovative safety services to prevent crime and promote a safe community.

Prepared by:	Michael McComas, Director of Public Safety
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Agrmt No. A-9871 with Civica Law Group, APC
Exhibit A – Rate Schedule

AGREEMENT FOR LEGAL SERVICES BETWEEN THE CITY OF PALMDALE AND CIVICA LAW GROUP, APC

AGREEMENT NO. A-9871

This Legal Services Agreement ("Agreement") is made and entered into by and between the City of Palmdale ("City") and Civica Law Group, APC ("Firm"), collectively identified as "the parties."

RECITALS:

A. This Agreement is made pursuant to California Business and Professions Code Section 6148, and is intended to fulfill the requirements of that section.

B. The City desires to retain the Firm to provide specialized legal services related to the areas of criminal prosecution of the Palmdale Municipal Code.

C. The attorneys of the Firm are duly licensed under the laws of the State of California and are fully qualified to provide the services contemplated by this Agreement.

THE PARTIES AGREE AS FOLLOWS:

1. **Scope of Services.**

a. The Firm will provide those legal services as may be authorized and assigned by the Palmdale City Attorney, including, without limitation, legal services related to the criminal prosecution of the Palmdale Municipal Code. The firm will provide those legal services reasonably required to accomplish City's stated goals.

b. The legal services the Firm will provide to City will be billed as follows:

1. The total amount of the Agreement shall not exceed One Hundred Ninety Thousand Dollars ($190,000).

2. For Fiscal Year 2026–2027, compensation shall not exceed Ninety-Two Thousand Seven Hundred Dollars ($92,700). For Fiscal Year 2027–2028, compensation shall not exceed Ninety-Seven Thousand Three Hundred Dollars ($97,300).

3. The term of this Agreement shall be for a period of two (2) years, commencing July 1, 2026, and ending June 30, 2028, as set forth in Section 6.

4. Exhibit "A," Rate Schedule, shall govern all compensation and reimbursement under this Agreement and shall reflect rates and billing terms related to current case

volume, including the monthly flat fee structure, hourly rates for services exceeding the monthly threshold, and all applicable costs and expenses as set forth therein.

2. **Designation of Responsible Attorneys.**

Matthew Silver, Esq. is designated as the attorney responsible for providing the legal services under this Agreement to City and for supervising any other attorneys within the Firm assisting him in the performance of those services. The Firm's offices are located at 4000 Barranca Parkway, Suite 250, PMB #782, Irvine, CA 92604.

3. **Confidentiality.**

All reports, information, data, or other documents prepared or assembled by the Firm under this Agreement are confidential and the Firm shall not make the same available to any individual or organization without the prior written approval of the Palmdale City Attorney.

4. **Maximum Contract Amount, Billing Procedures, and Monthly Statements.**

a. The Firm shall submit to the Palmdale City Attorney, within thirty (30) days after the end of each calendar month, an itemized statement of the professional services provided and the time expended providing those services. This statement will be in the form customarily submitted by the Firm to clients that are billed on an hourly basis. Block billing is not permitted. The parties acknowledge that payment of all monthly statements is expected to be made within thirty (30) days of the billing date.

b. The Firm will bill the City for items such as, but not limited to, long distance telephone calls, filing fees (if applicable), document duplication, computerized legal research, word-processing, and similar out-of-pocket expenditures. These items will be separately designated on the Firm's monthly statements as "disbursements," and will be billed in addition to the fees for professional services.

c. If the Firm's services are billed by the hour, time will be charged by the Firm in increments of 1/10 of an hour (i.e., six-minute units). Among the services which are routinely billed are telephone conversations and travel time. In addition to the fees charged for services, the Firm also bills for costs incurred, which include, but are not limited to, filing fees (if applicable), messenger and air courier expenses, parking expenses, local and out-of-town travel expenses, facsimile and other communication expenses, postage, and printing costs. In addition, the Firm charges for certain internal costs if incurred on City's behalf, such as photocopying, secretarial overtime, and word processing.

The rate structure in general, or the rates of particular attorneys, may be increased from time to time, after a minimum 30-day written notice to and written consent of the Palmdale City Attorney. To the extent feasible, these adjustments will be made so as to coincide with the beginning of City's fiscal year,

which begins on July 1st. If possible, requests to increase fees should be forwarded to the Palmdale City Attorney in February of any given year.

d. The Firm's fees for legal services are based primarily on hourly rates; other factors considered by the Firm in determining a fair fee are set forth in Rule 4-200 of the Rules of Professional Conduct of the California State Bar Association. If persons who are "Of Counsel" to the Firm work on City matters, the Firm and its Of Counsel may from time to time share the fees paid by City; however, if such is the case, City's fees will not be increased in any way, and the fees which City is requested to pay will be the same as would have been payable had there been no such sharing of fees.

e. All fees, charges, costs and reimbursable items for the entire term of this Agreement shall not exceed a maximum of **$190,000.**

5. **Resolution of Fee Disputes.**

City is entitled to require that any fee dispute be resolved by binding arbitration in Los Angeles in accordance with the arbitration rules of the Los Angeles County Bar Association for legal fee disputes. If City chooses not to use the Los Angeles County Bar Association's arbitration procedures, City agrees that any disputes regarding the professional services rendered or fees charged by the Firm will be submitted to binding arbitration in Los Angeles to be conducted by the American Arbitration Association in accordance with its commercial arbitration rules.

6. **Term of the Agreement.**

This Agreement shall become effective on the date of the last signatory and will remain in full force and effect for a period of two (2) years or until terminated in accordance with the provisions of Section 7. Notwithstanding the above, if the Firm is currently working on an assigned project, the term of this Agreement shall be extended until the assigned project is completed or terminated pursuant to Section 7.

7. **Termination of the Agreement.**

City has the right to terminate the Firm's representation at any time, without cause, subject to an obligation to give notice in writing to the Firm at least thirty (30) days prior to termination. The Firm has the same right, subject to an obligation to give City written notice at least ninety (90) days prior to termination so that City will be able to arrange alternative representation. In either circumstance, City agrees to secure new counsel as quickly as possible and to cooperate fully in the substitution of the new counsel as counsel of record in any pending litigation matters. The Firm agrees to cooperate fully in any such transition, including the transfer of files. Upon termination, all finished or unfinished materials shall become the property of City. Notwithstanding the termination of the Firm's representation, City will remain obligated to pay to the Firm all fees and costs incurred prior to such termination.

8. **Modifications to the Agreement.**

Unless otherwise provided for in this Agreement, modifications relating to the nature, extent, or duration of the Firm's professional services to be rendered will require the written approval of the Palmdale City Attorney. Any such written approval will be deemed to be a supplement to this Agreement and will specify any changes in the Scope of Services and the agreed-upon billing rate to be charged by the Firm and paid by the City.

9. **Independent Contractor.**

No employment relationship is created by this Agreement with the Firm or any employees of the Firm. For all purposes, the Firm and its employees are independent contractors to City and shall not incur, nor have the authority to incur any debt, obligation, or liability for or against City.

10. **Assignment and Delegation.**

This Agreement contemplates the performance of professional services by the Firm. Neither this Agreement, nor any portion of it, may be assigned or delegated by the Firm without the prior written consent of the Palmdale City Attorney. Delegation to attorneys outside the Firm will be limited to those situations in which the Firm is disqualified by virtue of a conflict of interest, or where the Firm does not possess the expertise to perform services in a particular practice area. The Firm will supervise delegated work, except where precluded from doing so by virtue of a conflict of interest, and where otherwise agreed to by the parties.

11. **Conflict of Interest.**

The Firm affirms that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the services contemplated by this Agreement. No person having such interest shall be employed by or associated with the Firm.

12. **Insurance.**

a. The Firm shall obtain and maintain in full force and effect a professional liability insurance policy that provides coverage in an amount not less than $2,000,000 per occurrence. This insurance policy shall provide coverage to the City for any damages or losses suffered by City as a result of any error, omission, or neglect by the Firm that arises out of the professional services rendered under this Agreement. Such insurance may be subject to a self-insured retention or deductible to be borne entirely by the Firm. If such insurance is on a claims-made basis, firm shall maintain such coverage for no less than three years following the termination of the Agreement. This insurance policy shall provide coverage to the City for any damages or losses suffered by City as a result of any error, omission, or neglect by the Firm that arises out of the professional services rendered under this Agreement. Such insurance may be subject to a self-insured retention or deductible to be borne entirely by the Firm.

b. The Firm will obtain and maintain workers' compensation insurance in accordance with Section 3700 of the California Labor Code.

c. The Firm will obtain and maintain in full force and effect commercial general liability insurance in an amount not less than $1,000,000 per occurrence with a $2,000,000 aggregate.

d. The Firm will obtain and maintain in full force and effect a commercial automobile liability policy in an amount not less than $1,000,000 including owned (if any), non-owned and hired automobile coverage.

e. All insurance coverage specified above will provide for a minimum of thirty (30) days notice of cancellation by the insurance carrier, and will be maintained in full force and effect throughout the term of this Agreement. Such insurance shall name the City as an additional insured, and shall include a waiver of subrogation.

f. The requirements as to the types and limits of insurance to be maintained by Firm are not intended to and shall not in any manner limit or qualify Firm's liabilities and obligations under this Contract.

13. **Legal Files.**

a. During the period that the Firm is actively working upon a matter, the files pertaining thereto will be maintained in its offices. After the Firm has concluded working upon a matter, the files may be transferred to an offsite storage facility, from which they can be retrieved upon reasonable notice. All original agreements, modification or deeds, easements or similar original documents should be forwarded to the Palmdale City Clerk either as created or at the expiration of the fourth calendar year following the consummation or conclusion of each matter for which a file is opened. City may request copies of its client matter files at any time, including, without limitation, upon termination of the Firm's engagement. City agrees that upon delivery of any client matter files that it will pay the Firm for its costs incurred in photocopying such files.

b. If the firm is called upon to give testimony or produce documents in any legal or administrative proceeding which concerns City in any way, whether before or after the representation and rendition of legal services to City under this agreement terminates, City agrees to pay the Firm, at it's then prevailing hourly rates, for it's time in investigating, preparing for and in giving testimony and/or in producing documents and for all expense incurred in connection with doing so.

14. **Entire Agreement**

This Agreement will constitute the full and complete agreement and understanding of the parties and supersedes all prior agreements and all other written or oral statements of either party relating to its subject matter.

15. **Nondiscrimination**

In performance of this Agreement, the Firm shall not discriminate against any employee, subcontractor, or applicant for employment because of sex, color, race, religion, ancestry, national origin, disability, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sexual orientation, or age, gender, gender identity, gender expression, genetic information, or military and veteran status. The Firm will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their sex, color, race, religion, ancestry, national origin, disability, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sexual orientation, or age, gender, gender identity, gender expression, genetic information, or military and veteran status . Affirmative action relating to employment shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

16. **Force Majeure**

Neither Party shall be liable for any failure or delay in performing its obligations under this Agreement (other than payment obligations) if such failure or delay is caused by an event or circumstance beyond the reasonable control of the affected Party ("Force Majeure Event"). Force Majeure Events include, but are not limited to, acts of God; flood; fire; earthquake; explosion; war; terrorism; civil disturbance; epidemic or pandemic; quarantine; governmental actions or orders; or other similar events beyond the control of the affected Party.

The affected Party shall provide written notice to the other Party within ten (10) calendar days of the occurrence of the Force Majeure Event, describing the nature, expected duration, and anticipated impact on performance. The Party shall use all diligent efforts to mitigate the effects of the event and resume performance as soon as practicable.

When CONTRACTOR is the sole cause of the delay to the commissioning and substantial completion and delay is not caused by an event of Force Majeure or by the CITY'S failure to make payments in accordance with the Contract or to provide required information to CONTRACTOR when contemplated in the Contract, CITY shall be entitled to liquidated damages in the sum at the daily rate of $1,000.00, beginning at zero (0) days from written notice given by CITY up to a maximum liquidated damage aggregate of ten percent (10%) of the contract price of the equipment delayed.

TO EFFECTUATE THIS AGREEMENT, the authorized representatives of the parties have caused this Agreement to be executed as of the dates indicated below.

CITY OF PALMDALE Civica Law Group, APC

Salvador Mendez
City Manager
Michael J McComas
May 28, 2026, 3:07 PM PDT

ADDRESS FOR NOTICE:
CITY OF PALMDALE
38256 Sierra Highway
Palmdale, CA 93550

APPROVE AS TO FORM:

Alexandra Severino
City Attorney

ATTEST:

Rochelle Scott
City Clerk

Matthew Silver
May 28, 2026, 6:31 PM PDT

Matthew Silver, Esq.
Partner

ADDRESS FOR NOTICE:
Civica Law Group, APC
4000 Barranca Parkway, Suite 250, PMB #782
Irvine, CA 92604

ATTEST: If Corporation

Secretary

---------- INTERNAL USE ONLY ----------

■Certificate(s) and Endorsement(s) attached
■Confirmed business name on contract with certificate(s)
■Attached Agreement Checklist and met all requirements

Record of Signing

For	City of Palmdale	For	msilver@civicalaw.com
Name	Michael J McComas	Name	Matthew Silver
Title	Director of Public Safety	Title	



Signed on May 28, 2026 3:07 PM PDT

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DocumentID: 033Om0oCeGcjBa8sJs58h9
SigningID: 033Om0nybxsK9cgdTegsD3
UTC Signing time: 2026-05-28 22:07:17 UTC
IP Address: 206.171.111.149
Email: mmccomas@cityofpalmdaleca.gov



Signed on May 28, 2026 6:31 PM PDT

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IP Address: 69.166.236.87
Email: msilver@civicalaw.com

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EXHIBIT "A"

RATE SCHEDULE

A. Identification.

Client: City of Palmdale
Matter: Any matters assigned by City staff, and citations issued or cases initiated by, the Los Angeles Sheriff's Department based on the Palmdale Municipal Code.

B. Attorney Fees

a. Los Angeles Sheriff's Department issued criminal citations based on the Palmdale Municipal Code:

City shall pay a flat fee to the Firm for representing the City in such judicial matters in the amount of $7,500 per month. Such compensation includes processing and handling of such criminal citations and routine client communications involving such criminal citations. Such compensation excludes services for trials, writs/appeals and probation revocation or modification proceedings, given the unpredictable and unforeseeable nature, and special projects, which shall be at the attorney's established rate with the City, and shall exclude costs as provided here, which shall be reimbursed separately by or directly paid by the City. The Firm's compensation is in no way contingent on result or outcome, or its exercise of its prosecutorial discretion in determining whether or how to file cases referred to it or prosecutions or dispositions thereof.

These rates shall automatically increase by five percent each new fiscal year in order to offset rising costs.

C. Costs and Expenses.

In-office photocopying (Black & White)	$0.16/page
In-office photocopying (Color)	$0.60/page
Mileage	IRS prevailing mileage rates
Computerized Legal Research	At vendor cost
Word Processing	No charge
Postage	At vendor cost
Courier and Air Freight Charges	At vendor cost
Messenger Services	At vendor cost
Title Report and/or Litigation Guarantee	At vendor cost
Notary	At vendor cost
Court Photocopying	At cost
Incoming or out-going Fax Charges	No charge
Conference Call Charges	AT&T standard rates or equal

Travel Expenses	At cost
Other reasonable costs	At cost

Costs and expenses will be billed separately as disbursements and will be billed in addition to the fees for professional services.

City Council Staff Report

DATE: **JUNE 2, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **1, 2**

SUBJECT: **ADOPT RESOLUTION NO. CC 2026-008, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE DECLARING ITS INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2026-27, PRELIMINARILY APPROVING THE ANNUAL ENGINEER'S REPORT, AND PROVIDING NOTICE OF PUBLIC HEARING FOR THE CITY OF PALMDALE DRAINAGE BENEFIT ASSESSMENT DISTRICTS NO. 1 AND NO. 2006-02**

RECOMMENDATION

Staff recommend that the City Council:

1. Adopt Resolution No. CC 2026-008, a Resolution of the City Council of the City of Palmdale, declaring its intention to continue assessments for the Fiscal Year 2026-27;

2. Preliminarily approve the annual Engineer's Report;

3. Provide notice of public hearing for the City of Palmdale Drainage Benefit Assessment Districts No. 1 and No. 2006-02; and,

4. Authorize the Mayor to execute Resolution No. CC 2026-008, declaring its intention to continue assessments for the Fiscal Year 2026-27.

BACKGROUND

The Anaverde and Ritter Ranch developments required the formation of a Drainage Benefit Assessment District (DBAD) as a condition of approval to provide the funds to maintain the drainage facilities for the developments. As a result, the formation of Anaverde DBAD No. 1 was approved by the property owners on May 12, 2004, and the Ritter Ranch DBAD No. 2006-02 was approved by the property owners on January 3,

2007, respectively, pursuant to mailed ballot elections conducted in accordance with Article XIIID of the California Constitution.

The purpose of the DBAD is to fund the installation, construction, or maintenance of any authorized improvements under the Benefit Assessment Act of 1982 (California Government Code Section 54703 et seq.), including, but not limited to, drainage improvements and any facilities which are appurtenant to any of the aforementioned or which are necessary or convenient for the maintenance or servicing thereof.

DISCUSSION

On April 7, 2026, the City Council took the first step to continue assessing the levies for Fiscal Year 2026-27 by adopting Resolution No. CC 2026-006, which directed NBS, as the Engineer of Work, to prepare the annual Engineer's Report for DBAD No. 1 and No. 2006-02 for Fiscal Year 2026-27.

Resolution No. CC 2026-008 is the second step, providing the intention to continue the assessments for Fiscal Year 2026-27, preliminarily approving the annual Engineer's Report prepared by NBS, and establishing the date, time, and place of a public hearing to receive testimony regarding the continued assessments to be placed on the County of Los Angeles Property Tax Rolls.

The third and final step will be the public hearing on July 7, 2026, to obtain final approval of the annual Engineer's Report and to order the levies for Fiscal Year 2026-27.

The annual Engineer's Report contains information required by the Benefit Assessment Act of 1982 and Article XIIIC and XIIID of the California Constitution (Proposition 218), determining the special benefit to property owners within DBAD No. 1 and No. 2006-02, identifying the methodology for assigning assessments to each parcel, and estimating the cost for improvements. The annual Engineer's Report establishes the important foundation and justification for the continued collection of the assessments for Fiscal Year 2026-27.

FISCAL IMPACT

$135,100; Based on the annual County of Los Angeles Consumer Price Index (CPI) increase of 2.93%, the total proposed assessment for both Districts is approximately $135,100. The annual Engineer's Report indicates the proposed assessments for the City of Palmdale Drainage Benefit Assessment Districts No. 1 and No. 2006-02 and is included as an attachment.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

A. Manage resources, costs, and liabilities to ensure the City's long-term fiscal health.

B. Establish healthy reserves for ongoing replacement and repair of capital assets while stabilizing annual spending.

Prepared by:	Leonardo Torres, P.E. Director of Public Works
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Reso. No. CC 2026-008
Fiscal Year 2026-27 Engineer's Report for Drainage Benefit Assessment Districts

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2026-008

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE DECLARING ITS INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2026-27, PRELIMINARILY APPROVING THE ANNUAL ENGINEER'S REPORT, AND PROVIDING NOTICE OF PUBLIC HEARING FOR THE DRAINAGE BENEFIT ASSESSMENT DISTRICTS NO. 1 AND NO. 2006-02

WHEREAS, the City of Palmdale Drainage Benefit Assessment Districts No. 1 and No. 2006-02 (the "Districts") were approved by property owners pursuant to mailed ballot elections conducted in accordance with Article XIIID of the California Constitution, and the Benefit Assessment Act of 1982 (the "Act"), being Chapter 6.4 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (commencing with Section 54703 thereof); and

WHEREAS, NBS has been designated as the Engineer of Work for purposes of these proceedings (the "Engineer of Work") and ordered to prepare an Engineer's Report in accordance with Act and Article XIIID of the California Constitution; and

WHEREAS, the Engineer of Work has filed an Engineer's Report (the "Report") with the City Clerk, copies of which have been submitted to this City Council, which Report contains the following: (a) a calculation of the portion of the improvements to be provided by the Districts that constitute a special benefit to the parcels in the Districts; (b) a methodology for assigning assessments to individual parcels; (c) a listing of each lot or parcel of property that would be subject to the proposed assessment, including public parcels; (d) the estimate of cost for the improvements; and (e) the amount of the proposed assessment for each lot or parcel for the Fiscal Year 2026-27.

NOW, THEREFORE, BE IT RESOLVED, THE CITY COUNCIL OF THE CITY OF PALMDALE DOES HEREBY FIND, DETERMINE, RESOLVE, AND ORDER AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. This City Council intends to continue to levy and collect assessments within the Districts for Fiscal Year 2026-27.

SECTION 3. The Report, in the form on file with the City Clerk, is hereby received, filed, and preliminarily approved.

SECTION 4. The proposed improvements to be made in the Districts may be described as follows: the installation, construction, or maintenance of any authorized improvements under the Act, including, but not limited to, drainage improvements and any facilities which are appurtenant to any of the aforementioned or which are necessary or convenient for maintenance or servicing thereof.

SECTION 5. The general location and boundaries of the existing Districts are shown on maps on file in the office of the Director of Public Works and are incorporated herein by reference and are open to public inspection. The Districts are designated as follows: Drainage Benefit Assessment District No. 1 and Drainage Benefit Assessment District No. 2006-02.

SECTION 6. Reference is hereby made to the Report for a full and detailed description of the improvements, the boundaries of the Districts, and the assessments upon assessable lots and parcels of land within the Districts.

SECTION 7. The assessments are subject to an annual adjustment tied to the annual change in the Consumer Price Index for the Los Angeles area as of February of each succeeding year ("CPI"). The change in the CPI from February 2025 to February 2026 was 2.93%. Therefore, the maximum authorized assessment rates for Fiscal Year 2026-27 are the previous year's maximum authorized assessment rate for each District increased by 2.93%. The amount of the assessments proposed does not exceed the authorized amount.

SECTION 8. A public hearing regarding the proposed assessments for the Districts shall be held by the City Council on July 7, 2026, at 5:00 p.m. or as soon thereafter as the matter may be heard in the City Council Chambers located at 38300 Sierra Highway, Suite B, Palmdale, California.

SECTION 9. The City Clerk is hereby authorized and directed to cause a notice of the hearing for the continuation of the assessments for the Districts to be given by publishing a notice once, at least fourteen (14) days before the date of the hearing above specified, in a newspaper circulated in the Districts.

SECTION 10. This Resolution shall take effect immediately upon its adoption.

SECTION 11. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this 2nd day of June, 2026.

_____
Eric Ohlsen, Mayor

APPROVED AS TO FORM:

_____
Alexandra Severino, City Attorney

ATTEST:

_____
Rochelle Scott, City Clerk

I, Rochelle Scott, City Clerk of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the City Council of the City of Palmdale at a regular meeting of said Council held on the 2nd day of June, 2026, by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

CITY OF PALMDALE

Fiscal Year 2026/27 Engineer's Report For:

Drainage Benefit Assessment Districts

May 2026

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helping communities
fund tomorrow since 1996
nbsgov.com

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1. ENGINEER'S LETTER

WHEREAS, the City Council of the City of Palmdale (the "City"), State of California, under the Benefit Assessment Act of 1982, directed NBS to prepare and file the Annual Engineer's Report for the Drainage Benefit Assessment District No. 1 and No. 2006-02 (the "Districts") for Fiscal Year 2026/27, in accordance with Article 4 of Chapter 6.4 of the Act and Article XIII D of the California Constitution. The report presents the plans[1] and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the administration, maintenance, operations and servicing of the improvements for Fiscal Year 2026/27, the diagram for the Districts, showing the area and properties to be assessed, and assessing the net amount upon the assessable lots and/or parcels within the Districts in proportion to the special benefit received.

NOW THEREFORE, the assessments as detailed in this Engineer's Report and as summarized in the table below are made to cover the portion of the estimated costs of maintenance, operation and servicing of said improvements to be paid by the assessable real property within the Districts in proportion to the special benefit received.

District	Parcels	EDUs per District(1)	FY 2026/27 Assessment Amount	Proposed Assessment Rate per EDU	Maximum Assessment Rate Per EDU
DBAD No. 1	1,417	1,417.00	$58,337.89	$41.17	$56.80
DBAD No. 2006-02	32	6,588.85	76,759.94	11.65	60.13
Totals:	**1,449**	**8,005.85**	**$135,097.83**		

(1) Equivalent Dwelling Unit. See "Method of Assessment" for explanation of EDU apportionment.

I, the undersigned, respectfully submit this Engineer's Report and, to the best of my knowledge, information and belief, the Engineer's Report, Assessments, and the Assessment Diagram herein have been prepared, computed and levied in accordance with the assessment methodology adopted, approved and ordered by the City Council of the City of Palmdale at the time of each District formation.

_____

John G. Egan, P. E.
Assessment Engineer

[1] *Detailed plans are included by reference and on file in the office of the City Engineer.*

2. INTRODUCTION

2.1 Background

The City provides maintenance and servicing of certain publicly owned stormwater detention and drainage basins throughout the City. In order to fund the maintenance of these projects and improvements, the City has formed two Drainage Benefit Assessment Districts covering an area of approximately 6,600 acres. The Districts have been formed and the levies have been made pursuant to Section 54703 et seq. of the California Government Code, commonly known as the Benefit Assessment Act of 1982 (the "Act"), and Article XIII D of the California Constitution (the "Article XIII D").

Drainage Benefit Assessment District No. 1 ("DBAD No. 1") is located within the Anaverde Master Planned Community at Avenue S and approximately 20th Street West. Drainage Benefit Assessment District No. 2006-02 ("DBAD No. 2006-02") is located within the Ritter Ranch Master Planned Community along Elizabeth Lake Road and west of the Anaverde Community.

Drainage Benefit Districts

District	Tract/Parcel Map	Land Use	General Location
DBAD No. 1	Anaverde	Residential	20th Street West and Avenue S
DBAD No. 2006-02	Ritter Ranch	Residential/ Commercial	Elizabeth Lake Road and Ranch Center Drive

The Districts were formed in previous years; DBAD No. 1 was formed in 2004 and DBAD No. 2006-02 was formed in 2007. The developments required the formation of a drainage benefit assessment district as a condition of approval in order to provide the funds to maintain the drainage facilities for the developments. As a result, the formation of the Districts was approved by the property owners (on May 12, 2004 and January 3, 2007, respectively) pursuant to mailed ballot elections conducted in accordance with the Act and Article XIII D.

2.2 Process for Annual Assessment

In each subsequent year for which the assessment will be continued, the City Council may direct an Engineer's Report to be prepared on an annual basis which contains a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the Districts.

The City Council may also annually adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the assessment district for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the assessment district by its distinctive designation and indicates the general location of the district.

- Refers to the report of the engineer, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the district.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment allowed, the City Clerk shall give notice of the public hearing by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including changes in the improvements, any zones within the assessment district, and the proposed diagram or the proposed assessment. If the assessment to be levied exceeds the maximum assessment allowed, the City must comply with the procedures specified in Article XIII D and Proposition 218.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment.

2.3 Legislative Context

In 1996, California Voters adopted Proposition 218, the "Right to Vote on Taxes Act" which added Articles XIII C and XIII D to the California Constitution. Article XIII D imposes certain substantive and procedural requirements on any agency that wishes to levy special assessments.

Article XIII D imposes four basic substantive requirements on assessments[2]:

- All parcels that will have a special benefit conferred upon them and upon which an assessment will be imposed must be identified;
- The general benefits must be distinguished from the special benefits conferred on the parcels;
- The proportionate special benefit derived by each parcel must be determined in relationship to the entirety of the capital improvement, the maintenance and operation expenses of the public improvement, or the cost of the property related service being provided; and
- The amount assessed to a parcel must not exceed the reasonable cost of the proportional special benefit conferred on that parcel and does not include any costs attributable to the general benefit.

Since the initial passage of Proposition 218, several court rulings have helped provide context and direction on the practical implementation procedures and requirements for levying assessments. Several of the key concepts from these rulings are summarized below.

GENERAL BENEFIT

[2] *California Constitution Article XIII D Section 4.*

Article XIII D requires an agency to separate the general benefits from the special benefits conferred because only special benefits are assessable.

The Court of Appeal in *Golden Hills Neighborhood Assn., Inc. v. City of San Diego* (2011) (*Golden Hills*)[3] clarified this concept by stating, "*Separation and quantification of general and special benefits must be accomplished by apportioning the cost of a service or improvement between the two and assessing property owners only for the portion of the cost representing special benefits*."

The Court of Appeal in *Beutz v. County of Riverside* (2010) (*Beutz*)[4] quoted from the Legislative Analyst's Office pamphlet titled "Understanding Proposition 218" which states an agency must, "*estimate the amount of special benefit landowners would receive from the project or service, as well as the amount of 'general benefit.' This step is needed because Proposition 218 allows local government to recoup from assessments only the proportionate share of cost to provide the special benefit.*"

The Court in *Beutz* furthered this idea stating, "*Separating the general from the special benefits of a public improvement project and estimating the quantity of each in relation to the other is essential if an assessment is to be limited to the special benefits*."

The Court of Appeal in *Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority* (2008) (*SVTA*)[5] clarified that general benefits are not restricted to benefits conferred only on persons and property outside the assessment district but can include benefits both conferred on real property located in the district or to the public at large. The "public at large" includes all members of the public, including those who live, work, and shop within the district, and not simply transient visitors.

BENEFIT-BASED NOT COST-BASED

In *Bonander v. Town of Tiburon* (2009) (*Tiburon)*[6], the Court of Appeal clarified the idea that assessments must be apportioned based upon benefit rather than cost. The Court stated, "*Proportionate special benefit is the basis upon which a project's total assessable costs are apportioned among parcels within an assessment district.*"

The assessment on a particular property cannot be based on the relative cost of the improvements, but rather the special benefit conferred on such property. The Court in *Tiburon* also stated, "*an assessment represents the entirety of the cost of the improvement or property-related service, less any amount attributable to general benefits (which may not be assessed), allocated to individual properties in proportion to the relative special benefit conferred on the property*."

[3] *Golden Hill Neighborhood Assn. v. City of San Diego CA4/1, D062203 (Cal. Ct. App. 2013)*
[4] *Beutz v. County of Riverside, 109 Cal. Rptr. 3d 851 (Cal. Ct. App. 2010)*
[5] *Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority, 44 Cal. 4th 431 (2008).*
[6] *Bonander v. Town of Tiburon, 147 Cal. App. 4th 1116 (Cal. Ct. App. 2007)*

PUBLIC PROPERTY

Section 4, Subdivision (a) of Article XIII D states, in part, "*Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.*" Historically there had been differing opinions about whether this requirement that publicly owned property should not be exempt actually meant those properties must be assessed.

The Court of Appeal in *Manteca Unified School District v. Reclamation District No. 17 et al* (2017) *(Manteca)*[7] clarified this issue by stating, *"section 4, subdivision (a) of article XIII D of the California Constitution unambiguously conditions any continuing benefit assessment exemption on a showing by clear and convincing evidence of no special benefit.*"

IMPRECISION

The Court in *Tiburon* acknowledged the difficulty of trying to precisely assign and measure special benefit, stating, "*Any attempt to classify special benefits conferred on particular properties and to assign relative weights to those benefits will necessarily involve some degree of imprecision.*"

The Court in *Tiburon* went on to say that a formula assigning equal weight to different special benefits *"may be a legally justifiable approach to measuring and apportioning special benefits,* [but] *it is not necessarily the only valid approach. Whichever approach is taken to measuring and apportioning special benefits, however, it must be both defensible and consistently applied*."

[7] *Manteca Unified School District v. Reclamation District No. 17 et al, C077906 (Cal. Ct. App. 2017)*

3. PLANS AND SPECIFICATIONS

The work and improvements proposed to be undertaken by the City and the cost thereof paid from the levy of the annual assessment provide special benefit to assessor parcels within the Districts defined in the Method of Assessment herein. Consistent with the Act, the improvements are generally described as follows:

> Article XIII D of the California Constitution defines "maintenance and operation expenses" as, "the cost of rent, repair, replacement, rehabilitation, fuel, power, electrical current, care and supervision necessary to properly operate and maintain a permanent public improvement" (hereafter referred to as the “improvements”). The Districts funding includes, but is not limited to, the removal, repair, replacement and appurtenances, electrical energy, supplies, engineering and incidental costs relating to the maintenance and operation of the drainage improvements benefiting Districts parcels.
>
> The improvements for DBAD No. 1 consist of five drainage basins (DB) located just outside of DBAD No. 1 along the southern boundary of DBAD No. 1, DB No. 1 (0.5 acres), DB No. 2 (0.5 acres), DB No. 5 (10.0 acres), DB No. 6 (3.0 acres), and DB No. 7 (4.0 acres). There is also one drainage basin located on the northern side of the California Aqueduct, DB No. 9 (15.0 acres).
>
> The improvements for DBAD No. 2006-02 consist of 126,658 cubic feet of drainage basin/storm water improvements which are detailed in the Ritter Ranch Specific Plan on file with the City.
>
> Plans and Specifications for the improvements of the Districts are voluminous and are not bound in this Engineer’s Report but by this reference are incorporated and made a part of this Engineer’s Report. The Plans and Specifications are on file in the office of the Director of Public Works where they are available for public inspection.[8]

[8] *As detailed in the Annual Engineer’s Report, City of Palmdale, Drainage Benefit Assessment Districts, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

4. ESTIMATE OF COSTS

Fiscal Year 2026/27 estimated costs of maintenance and servicing the improvements as described in the Plans and Specifications are summarized below. The full itemized budget for the Districts is voluminous and is not bound in this Engineer's Report but by reference is incorporated and made a part of this Engineer's Report. The itemized budget is on file in the Department of Public Works, where it is available for public inspection. The tables below show the budget summary for each District.

Drainage Benefit Assessment District No. 1 Budget	
Description	**Proposed FY 2026/27 Costs**
Direct Maintenance Costs	$37,364.32
Other Costs	20,973.57
Estimated Expenditures	$58,337.89
Fiscal Year 2026/27 Net Amount to be Assessed	**$58,337.89**
Total Equivalent Dwelling Units (EDUs)	1,417.00
Total Parcels	1,417
Total Cost Per EDU	$41.17
Maximum Rate per EDU	$56.80

Drainage Benefit Assessment District No. 2006-02 Budget	
Description	**Proposed FY 2026/27 Costs**
Direct Maintenance Costs	$56,034.76
Other Costs	20,725.18
Estimated Expenditures	$76,759.94
Fiscal Year 2026/27 Net Amount to be Assessed	**$76,759.94**
Total Equivalent Dwelling Units (EDUs)	6,588.85
Total Parcels	32
Total Cost Per EDU	$11.65
Maximum Rate per EDU	$60.13

The following cost descriptions apply to the budget[9]:

DIRECT COSTS

Maintenance Costs. Labor, Material, and Equipment - Includes all labor, material, and equipment required to properly maintain and service the drainage structures, and appurtenant facilities within the district, including the maintenance and servicing of fencing, and drainage facilities. All improvements within the district will be maintained and serviced on a regular basis. City staff will determine the frequency and specific maintenance operations required.

Utilities. Gas and Electric - The furnishing of electricity and gas required for the operation of the drainage structures, and appurtenant facilities such as pumps.

Renovation. Repairs, which are unforeseen and not normally included in the yearly maintenance cost. This may include repair of damage due to vandalism, storms, and frost. Planned upgrades of the improvements that provide a direct benefit to the district could also be included in renovation costs.

OTHER COSTS

Personnel/Overhead. The cost of City staff for providing the coordination for maintenance and servicing, responding to public concerns, and levying and collecting assessments. This includes reimbursement for time spent by Finance and Accounting, the City Attorney, the City Manager, and the Public Works staff.

Consultants. The cost of contracting with professionals to provide services specific to the levy and annual administration.

Professional Fees. These are the costs of contracting with professionals for annual certification of all irrigation back flow devices, and for professionals to provide any additional administrative or engineering services specific to the district such as the cost to prepare and mail notices of the public meeting and hearing, or preparation of assessment diagrams.

County Administration Fees. The costs charged by the County to place the assessments on the property tax rolls.

[9] *As detailed in the Annual Engineer's Report, City of Palmdale, Drainage Benefit Assessment Districts, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

5. METHOD OF APPORTIONMENT

The following section includes an explanation of the benefits to be derived from the installation, maintenance and servicing of the improvements throughout each District, as well as a description of the assessment methodology used to apportion the total assessment to properties within each District. ***Previous annual Engineer's Reports were prepared by a different engineer of record and specific language from the prior year Engineer's Report[10] has been referenced to describe the Method of Apportionment within the following section of this report.[11]***

The Districts consist of all assessor parcels within the boundaries as defined by the Assessment Diagram included with this report and the parcels identified by the Assessor Parcel Numbers listed with the included levy roll. The parcel list includes all privately and publicly owned parcels with the boundaries. The method used for apportioning the assessment is based on the proportional special benefits to be derived by the properties in the Districts over and above general benefits conferred on real property or to the public at large. The apportionment of special benefit is a two-step process: the first step is to identify the types of special benefit arising from the improvements, and the second step is to allocate the assessments to property based on the estimated relative special benefit for each type of property.

5.1 Special Benefit

The improvements are expected to confer certain special benefits to parcels within each District. Pursuant to the Prior Engineer's Report, the special benefit conferred to parcels is more fully described as follows:

> *Each and every parcel within the Districts receives a particular and distinct benefit from the improvements over and above general benefits conferred by the improvements.*
>
> *First, all of the improvements were conditions of approval for the creation or development of the parcels. In order to create or develop the parcels, the City of Palmdale required the developer to install and guarantee the maintenance of storm water control structures and appurtenant facilities to serve the parcels. Therefore, each and every parcel within the Districts could not have been developed in the absence of the installation and promised maintenance of these facilities.*
>
> *In addition, the improvements continue to confer a particular and distinct special benefit upon parcels within the Districts because of the nature of the improvements. The proper maintenance of storm water control and appurtenant facilities specially benefit parcels within the Districts by alleviating excess water during periods of rain. This allows individual parcels to be used to their fullest extent. All of the above- mentioned improvements contribute to a specific enhancement of each of the parcels within the Districts.*

[10] *Annual Engineer's Report, City of Palmdale, Drainage Benefit Assessment Districts, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020 ("Prior Engineer's Report").*

[11] *Method of Apportionment and subsections as detailed in the Annual Engineer's Report, City of Palmdale, Drainage Benefit Assessment Districts, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

5.2 General Versus Special Benefit

General benefit is an overall and similar benefit to the public at large resulting from the improvements to be maintained by the assessments levied. Within the Prior Engineer's Report, the Engineer found that while the overwhelming majority of the benefit was special, there was a small amount of general benefit. Specific language describing the relationship and proportion of Special Benefit versus General Benefit from the Prior Engineer's Report has been included below:

> *In addition to the special benefits received by the parcels within the Districts, there are incidental general benefits conferred by the improvements.*
>
> *The total benefits are thus a combination of the special benefits to the parcels within the Districts and the general benefits to the public at large and to adjacent property owners. The portion of the total drainage maintenance costs, which are associated with general benefits, will not be assessed to the parcels in the Districts, but will be paid from other City Funds.*
>
> *Because the drainage facilities are located immediately adjacent to properties within the Districts and are maintained solely for the benefit of the properties within the Districts, any benefit received by properties outside of the Districts is merely incidental. It is estimated that the general benefit portion of the benefit received from the improvements for the Districts are less than one (1) percent of the total benefit. Nonetheless, the City has agreed to ensure that no property is assessed in excess of the reasonable cost of the proportional special benefit conferred on that property.*

5.3 Quantification General Benefit

Although the analysis used to support these assessments concludes that the benefits are solely special, as described above, consideration is made for the suggestion that a portion of the benefits are general. General benefits cannot be funded by these assessments – the funding must come from other sources.

The maintenance and servicing of these improvements is also partially funded, directly and indirectly from other sources including the City of Palmdale, Los Angeles County, and the State of California. This funding comes in the form of grants, development fees, special programs, and general funds, as well as direct maintenance and servicing of facilities (e.g. curbs, gutters, streets, drainage systems, etc.). The funding from other sources more than compensates for general benefits, if any, received by the properties within the Districts.

STEP 1 – CALCULATE GENERAL BENEFIT

The general benefits from this assessment may be quantified as illustrated in the following table.

Calculation of General Benefit[(1)]

Benefit Factor	Relative Weight	General Benefit Contribution	Relative General Benefit
Increased safety from flood control	10	25%	2.5
Creation of individual lots for development or approval of building permits	90	0%	0
	100		2.5
	Total Calculated General Benefit =		**2.5%**

(1) Per the Prior Engineer's Report.

As a result, the City will contribute at least 2.5% of the total budget from sources other than the assessment. The following contribution offsets any general benefits from the assessment services.

STEP 2 – CALCULATE THE CURRENT GENERAL BENEFIT CONTRIBUTION FROM THE CITY

Pursuant to the Prior Engineer's Report, this general benefit contribution is the sum of the following components:

The City owns, maintains, rehabilitates and replaces curb and gutter along the border of the Districts' improvements. This curb and gutter serves to support, contain, retain, manage irrigation flow and growth, and provide a boundary for the improvements. The contribution from the City towards general benefit from the maintenance, rehabilitation, and replacement of the curb and gutter is conservatively estimated to be 1%.

The City owns and maintains a storm drainage system along the border of the Districts' improvements. This system serves to prevent flooding and associated damage to the improvements and manage urban runoff including local pollutants loading from the improvements. The contribution from the City towards general benefit from the maintenance and operation of the local storm drainage system is conservatively estimated to be 1%.

The City owns and maintains local public streets along the border of the Districts' improvements. These public streets provide access to the improvements for its enjoyment as well as efficient maintenance. The contribution from the City towards general benefit from the maintenance of local public streets is conservatively estimated to be 1%.

The value of the construction of the improvements can be quantified and monetized as an annuity. Since this construction was performed and paid for by non-assessment funds, this "annuity" can be used to offset general benefit costs and is conservatively estimated to contribute 25%.

Therefore, the total general benefit is conservatively quantified at 2.5% which is more than offset by the total non-assessment contribution towards general benefit of 28%.

5.4 Method of Assessment

The development of an assessment methodology requires apportioning benefit to determine the relative special benefit for each property. (As part of the transition between assessment engineers in 2010/2011, the existing methodology was reviewed and confirmed, and fundamentally maintained with some minor updates.) The precise language from the Prior Engineer's Report has been provided below:

> *The Districts assessments are based on land use so that property owners are assessed in proportion to the benefits received. The land uses defined below are descriptive of the parcels expected to exist in the Districts. In the event there is a question regarding the land use designation of any parcel in the Districts the Director of Public Works will be responsible for administratively assigning one of the land uses listed below.*

- *Residential* — *Single family residential parcels*
- *Condo* — *Condominium or town home parcels*
- *Non-Res* — *Non-residential parcels*
- *Exempt* — *Parcels exempt by law from the assessment, or those parcels that do not benefit from the improvements*

For DBAD No.1, in a single-family residential district, all the parcels in the Districts receive the same special benefit from the improvements due to their similarity in size and use and their similar proximity to the improvements. Therefore, each parcel is assessed an equal amount.

Storm drain improvements intercept storm runoff from the properties and convey the runoff through the area in a controlled manner providing flood protection. To properly serve development in the Districts the developers were required to provide storm water retention/detention basins within their projects.

Since storm runoff is a function of area the special benefit shall be apportioned to the respective developed lots or parcels in the Districts on a gross acreage basis net of arterial and collector streets. Within a residential tract, once the improvements have been allocated based on acreage as described above, it will be apportioned further based on the number of similar lots or parcels or multi-family units such that each lot or parcel or unit is assessed an equal amount. Within non-residential developments, the improvement costs shall be apportioned based on net parcel area.

Parcels in the Districts will be assigned a weighting factor known as an equivalent dwelling unit (EDU). This method is used to relate dissimilar land uses such as non-residential and residential. Single family residential parcels are assigned an EDU of 1.0. The total number of EDUs in a District is divided into the total balance to levy for the district. This establishes the levy per EDU (rate). The rate is then multiplied by the parcel's individual number of EDUs to establish the parcel's levy amount.

The following table shows the EDU factors for each parcel type in the Districts.

Property Type	***Factor***	***Basis***
Developed/Vacant Residential	*1.00*	*Parcel*
Developed/Vacant Multi-Family	*1.00*	*Unit*
Developed/Vacant Non-Residential	*6.00*	*Acre*

5.5 Cost of Living Inflator

Annually, the assessment rates for the Districts may be increased, based upon the Consumer Price Index, All Urban Consumers, for the Los Angeles-Long Beach-Anaheim Area ("CPI"), as determined by the United States Department of Labor, Bureau of Labor Statistics, or its successor. The Assessment Engineer shall compute the percentage difference between the CPI for February of each year and the CPI for the previous February and shall then adjust the existing assessment rates by an amount not to exceed such percentage for the following fiscal year. Should the Bureau of Labor Statistics revise such index or discontinue the

preparation of such index, the Assessment Engineer shall use the revised index or a comparable system as approved by the City Council for determining fluctuations in the cost of living. [12]

The annual calendar year percentage change in the CPI applicable to the Fiscal Year 2026/27 assessment is 2.93%, based on the increase of the February 2025 to February 2026 CPI of 2.93%.

5.6 Fiscal Year 2026/27 Maximum Assessment

The maximum authorized assessment rate for Fiscal Year 2026/27 is increased by 2.93% which equates to $56.80 per EDU for DBAD No. 1 and $60.13 per EDU for DBAD No. 2006-02. Each District's budget, provided in the Estimate of Costs section of this Engineer's Report, proposes assessments for Fiscal Year 2026/27 at the rate of $41.17 per EDU for DBAD No. 1, which is less than the maximum authorized assessment rate, and $11.65 per EDU for DBAD No. 2006-02 which is less than the maximum authorized assessment rate.

5.7 Duration of Assessment

DBAD No. 1 was formed in 2004 and DBAD No. 2006-02 was formed in 2007. It is proposed that the assessments be continued every year thereafter, so long as the drainage improvements need to be maintained and improved, and the City requires funding from the assessments for these improvements in each District. As noted previously, the assessment can continue to be levied annually after the City Council approves an annually updated Engineer's Report, budget for the assessment, improvements to be provided, and other specifics of the assessment. In addition, the City Council must hold an annual public hearing to continue the assessment.

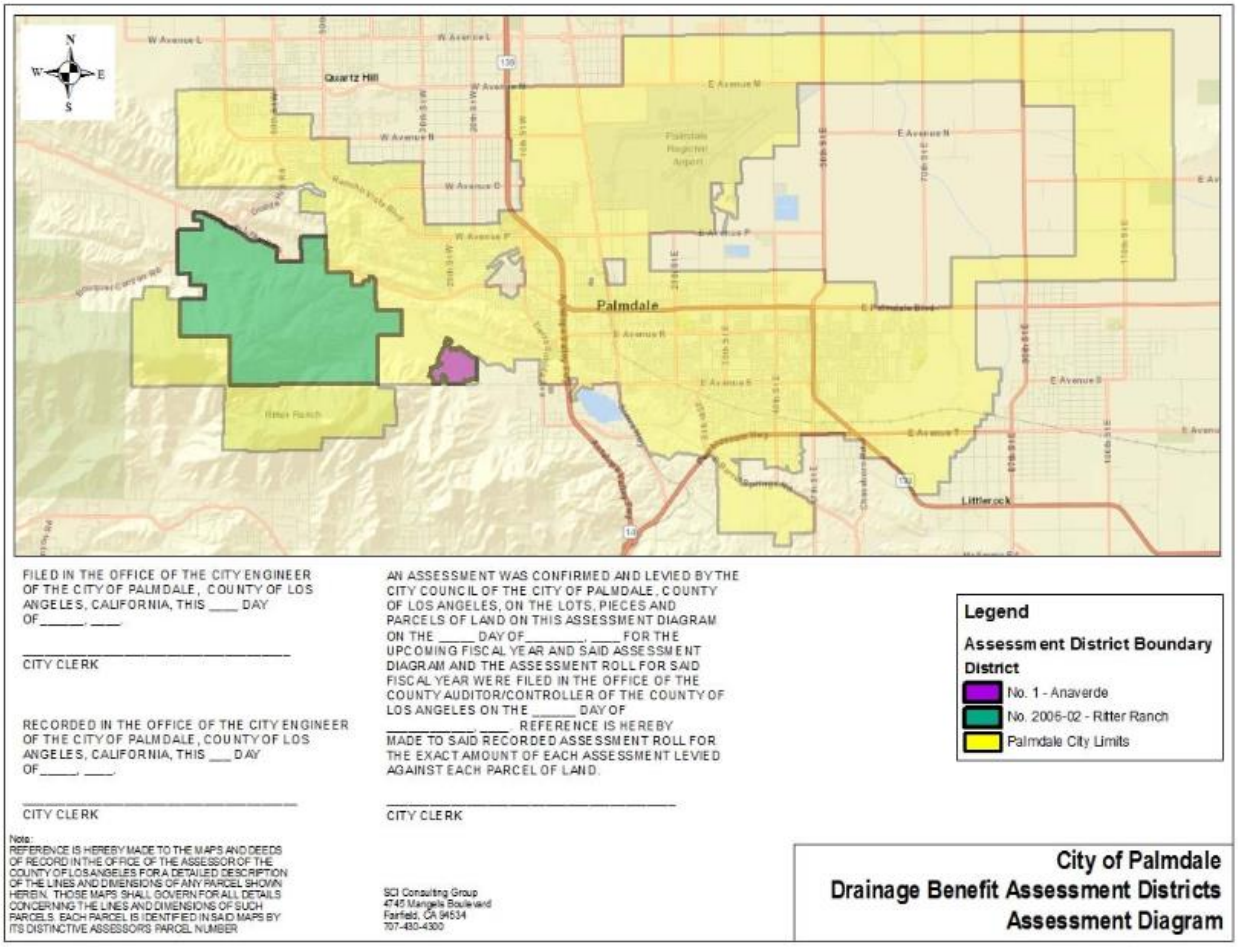
5.8 Appeals and Public Hearing

Any property owner who feels that the assessment levied on the subject property is in error, as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the City of Palmdale Public Works Department. Any such appeal is limited to correction of an assessment during the then current fiscal year or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the City of Palmdale Public Works Engineer or his or her designee will promptly review the appeal and any information provided by the property owner. If the Public Works Engineer of the City of Palmdale or her or his designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the City Engineer or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the City Engineer or her or his designee shall be referred to the Director of Public Works of the City of Palmdale, and the decision of the Director of Public Works of the City of Palmdale shall be final.

[12] *As detailed in the Annual Engineer's Report, City of Palmdale, Drainage Benefit Assessment Districts, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

6. ASSESSMENT DIAGRAM

The boundaries of the Districts are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Districts are those lines and dimensions shown on the maps of the County Assessor of the County of Los Angeles, at the time this Engineer's Report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.



7. ASSESSMENT ROLL

Assessor's parcel identification, for each lot or parcel subject to the assessment, shall be based on the County Assessor's secured roll data for the applicable year in which this report is prepared and is incorporated herein by reference.

A listing of assessor's parcels subject to the assessments for Fiscal Year 2026/27, along with the assessment amounts, is on file in the office of the City Engineer and incorporated herein by reference. Based on County Assessor's secured roll data, current assessor's parcels, including corrected and/or new assessor's parcels, will be submitted and/or resubmitted to the County Auditor/Controller. The annual assessment amount to be levied and collected for the resubmitted parcel(s) shall be determined in accordance with the method of apportionment and assessment rate approved in this report. Therefore, if a single assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the charge amounts applied to each of the new assessor's parcels shall be recalculated and applied according to the approved method outlined in the method of apportionment and assessment rate rather than a proportionate share of the original assessment amount.

The following table summarizes the Fiscal Year 2026/27 assessments for the Districts.

District	Parcels	EDUs per District	FY 2026/27 Maximum Assessment Rate Per EDU	FY 2026/27 Assessment Rate Per EDU	FY 2026/27 Assessment Amount
DBAD No. 1	1,417	1,417.00	$56.80	$41.17	$58,337.89
DBAD No. 2006-02	32	6,588.85	60.13	11.65	76,759.94
Totals:	**1,449**	**8,005.85**			**$135,097.83**

City Council Staff Report

DATE: **JUNE 2, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2026-009, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE DECLARING ITS INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2026-27, PRELIMINARILY APPROVING THE ANNUAL ENGINEER'S REPORTS AND PROVIDING FOR NOTICE OF HEARING FOR THE CITY OF PALMDALE LANDSCAPE MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS, PARK MAINTENANCE AND RECREATION IMPROVEMENT DISTRICT, AND STREETLIGHT MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS**

RECOMMENDATION

Staff recommend that the City Council:

1. Adopt Resolution No. CC 2026-009, a Resolution of the City Council of the City of Palmdale, declaring its intention to continue assessments for the Fiscal Year 2026-27;

2. Preliminarily approve the annual Engineer's Reports;

3. Provide notice of public hearing for the City of Palmdale Landscape Maintenance Assessment Districts and Annexations, Park Maintenance and Recreation Improvement District, and Streetlight Maintenance Assessment Districts and Annexations; and,

4. Authorize the Mayor to execute Resolution No. CC 2026-009, declaring its intention to continue assessments for the Fiscal Year 2026-27.

BACKGROUND

The City of Palmdale Landscape Maintenance Assessment Districts and Annexations, Park Maintenance and Recreation Improvement District, and Streetlight Maintenance Assessment Districts and Annexations (all combined and referred to as the "Districts"),

were approved by property owners pursuant to mailed ballot elections conducted in accordance with Article XIIID of the California Constitution.

The purpose of the Landscape Maintenance Assessment Districts and Annexations is to fund the installation, maintenance, and servicing of ornamental structures, landscaping, including trees, shrubs, grass and other ornamental vegetation, and appurtenant facilities, including irrigation systems, drainage devices, and drywells located in public places within the boundaries of the Landscape Maintenance Assessment Districts and Annexations.

The purpose of the Park Maintenance and Recreation Improvement District is to fund the installation, maintenance, and servicing of public parks and recreational facilities throughout the City.

The purpose of the Streetlight Maintenance Assessment Districts and Annexations is to fund the installation, maintenance, and servicing of any authorized improvements under the Act, including, but not limited to streetlight, traffic signal, and highway safety light improvements, and any facilities which are appurtenant to any of the aforementioned or which are necessary or convenient for the maintenance or servicing thereof.

Each year, the Landscaping and Lighting Act of 1972 requires that, in order to continue the annual levy of assessments, the Districts have a detailed annual Engineer's Report approved by the City Council.

DISCUSSION

On April 7, 2026, the City Council took the first step to continue assessing the levies for Fiscal Year 2026-27 by adopting Resolution No. CC 2026-007, which directed NBS, the Engineer of Work, to prepare the annual Engineer's Reports for the Districts for Fiscal Year 2026-27.

This Resolution No. CC 2026-009 is the second step, which provides intention to continue the assessments for Fiscal Year 2026-27, preliminarily approves the annual Engineer's Reports prepared by NBS, and establishes the date, time, and place of a public hearing to receive testimony regarding the continued assessments to be placed on the County of Los Angeles Property Tax Rolls.

The third and final step will be the public hearing on July 7, 2026, to obtain final approval of the Annual Engineer's Report and to order the levies for Fiscal Year 2026-27. The annual Engineer's Reports contain information required by the Landscaping and Lighting Act of 1972 and Article XIIIC and XIIID of the California Constitution (Proposition 218), determining the special benefit to property owners within each district, identifying the methodology for assigning assessments to each parcel, and estimating the cost for improvements. The annual Engineer's Reports establish the important foundation and justification for the continued collection of the assessments for Fiscal Year 2026-27.

FISCAL IMPACT

$16,419,400; The annual Engineer's Reports indicate the proposed assessments for the Districts and are included as attachments.

The Fiscal Year 2026-27 annual assessment inflator for the Landscape Maintenance Assessment Districts and Annexations may be based on the February or March County of Los Angeles Consumer Price Index (CPI), depending on the approved methodology when each district/annexation was formed. For the districts/annexations that are increased based on the February CPI, the maximum assessment rates are increased by 2.93%. For districts/annexations whose assessments are increased based on the March CPI, the maximum assessment rate is increased by 3.40%. The total proposed assessment for all districts combined is approximately $7,871,000.

For the Park Maintenance and Recreation Improvement District, the Fiscal Year 2026-27 assessment inflator is 3%, and the total proposed assessment for the district is approximately $3,375,900.

For Streetlight Maintenance Assessment Districts and Annexations, the Fiscal Year 2026-27 assessment inflator is 2.93%, and the total proposed assessment for all districts is approximately $5,172,500.

STRATEGIC PLAN

Goal II: Ensure long-tern fiscal health of the City and maintain funding for services.

A. Manage resources, costs, and liabilities to ensure the City's long-term fiscal health.

C. Establish healthy reserves for ongoing replacement and repair of capital assets while stabilizing annual spending.

Prepared by:	Leonardo Torres, P.E. Director of Public Works
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Reso. No. CC 2026-009
Fiscal Year 2026-27 Combined Engineer's Report for Landscape Maintenance Assessment Districts and Annexations
Fiscal Year 2026-27 Engineer's Report for Park Maintenance and Recreation Improvement District
Fiscal Year 2026-27 Engineer's Report for Streetlight Maintenance Assessment Districts and Annexations

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2026-009

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE DECLARING ITS INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2026-27, PRELIMINARILY APPROVING THE ANNUAL ENGINEER'S REPORTS AND PROVIDING FOR NOTICE OF HEARING FOR THE CITY OF PALMDALE LANDSCAPE MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS, PARK MAINTENANCE AND RECREATION IMPROVEMENT DISTRICT, AND STREETLIGHT MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS

WHEREAS, the City of Palmdale Landscape Maintenance Assessment Districts and Annexations (the "Landscape Assessment Districts"), Park Maintenance and Recreation Improvement District (the "Park District"), and Streetlight Maintenance Assessment Districts and Annexations (the "Streetlight Assessment Districts", or all together, the Landscape Assessment Districts, Park District, and Streetlight Assessment Districts may be referred to as the "Districts") were approved by property owners pursuant to mailed ballot elections conducted in accordance with Article XIIID of the California Constitution, and the Landscaping and Lighting Act of 1972 (the "Act"), Part 2 of Division 15 of the California Streets and Highways Code (commencing with Section 22500 thereof); and

WHEREAS, NBS has been designated as Engineer of Work for purposes of these proceedings (the "Engineer of Work") and ordered to prepare the Engineer's Reports in accordance with the Act and Article XIIID of the California Constitution; and

WHEREAS, the Engineer of Work has filed the Engineer's Reports (the "Reports") with the City Clerk, copies of which have been submitted to this City Council, which Reports contain the information required by the Act, including: (a) a calculation of the portion of the services to be provided by the Districts that constitute a special benefit to the parcels in the Districts; (b) a methodology for assigning assessments to individual parcels; (c) a listing of each lot or parcel of property that would be subject to the proposed assessment, including public parcels; (d) the estimate of cost for the improvements; and (e) the amount of the proposed assessment for each lot or parcel for the Fiscal Year 2026-2027.

NOW THEREFORE, BE IT RESOLVED, THE CITY COUNCIL OF THE CITY OF PALMDALE DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. It is the intention of this City Council to continue to levy and collect assessments within the Districts for Fiscal Year 2026-27.

SECTION 3. The Reports, in the form on file with the City Clerk, are hereby received, filed and preliminarily approved.

SECTION 4. The proposed improvements to be made in the Landscape Assessment Districts may be briefly described as follows: the installation, maintenance and servicing of ornamental structures, landscaping, including trees, shrubs, grass and other ornamental vegetation, and appurtenant facilities, including irrigation systems, drainage devices and drywells located in public places within the boundaries of the Districts. Maintenance means the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of the ornamental structures, landscaping and appurtenant facilities, including repair, removal, or replacement of all or part of any of the ornamental structures, landscaping or appurtenant facilities; providing for the life, growth, health and beauty of the landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, and treating for disease or injury; the removal of trimmings, rubbish, debris, and other solid waste; and the cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti. Servicing means the furnishing of electricity for the lighting and operation of the ornamental structures, landscaping, and appurtenant facilities, water for the irrigation and control of the landscaping and the maintenance of any of the ornamental structures, landscaping, and appurtenant facilities.

Within the Park District, the existing and proposed improvements to be undertaken by the Park District are generally described as: installation, maintenance and servicing of public facilities, including but not limited to, landscaping, sprinkler systems, park grounds, park facilities, amphitheaters, landscape corridors, ground cover, shrubs and trees, street frontages, multi-use trails, camp sites and picnic areas, equestrian facilities, playground equipment and hardcourt areas, senior and community centers, drainage systems, lighting, fencing, entry monuments, sport and recreation fields, concession stands, basketball courts, tennis courts, running tracks, aquatic parks, swimming pools and pool enclosures, other recreational facilities, security guards, graffiti removal and repainting, and labor, materials, supplies, utilities and equipment, as applicable, for property owned, operated or maintained by the City of Palmdale. Whereas, installation means the construction of recreational improvements, including, but not limited to, land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks and drainage, lights, playground equipment, play courts, recreational facilities, and public restrooms. Whereas, maintenance means the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of said improvements, including repair, removal, or replacement of all or part of any improvement; providing for the life, growth, health and beauty of landscaping; and cleaning, sandblasting and painting of walls and other improvements to remove or cover graffiti. Whereas servicing means the furnishing of electric current or energy for the operation or lighting of any improvements, and water for irrigation of any landscaping or the maintenance of any other improvements.

Within the Streetlight Assessment Districts, the existing and proposed improvements to be undertaken may be briefly described as follows: the installation,

maintenance, and servicing of any authorized improvements under the Act, including, but not limited to streetlight, traffic signal, and highway safety light improvements, and any facilities which are appurtenant to any of the aforementioned or which are necessary or convenient for maintenance or servicing thereof.

SECTION 5. The general location and boundaries of the existing Districts are shown on maps on file in the office of the Director of Public Works, are incorporated herein by reference, and are open to public inspection.

The designation of the Landscape Assessment Districts is as follows:

District Nos. 1997-1, 2, 6, 7, 9, 10, 13, 14, 17, 19, 20, 23, 24, 24-1, 24-2, 24-3, 24-5, 25, 26, 28, 29, 31, 33, 35, 36, 41, 43, 46, 48, 49, 51, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 69, 70, 72, 73, 75, 76, 78, 80, 83, 84, 85, 86, 87, 88, 89, 93, 94, 96, 97, 98, 99, 100, 102, 105, 107, 110, 111, 114, 115, 116, 119, 120, 121, 122, 123, 125, 126, 127, 128, 129, 131, 133, 135, 136, 139, 140, 143, 144, 145, 146, 148, 151, 152, 153, 154, 156, 157, 160, 163, 165. 167, 168, 171, 175, 176, 177, 178, 179, 183, 188, 189, 190, 191, 192, 193, 195, 199, 203, 204, 206, 207, 213, 216, 220, 224;

District Nos. 1998-5, 11, 12, 15, 16, 21, 22, 30, 32, 37, 39, 40, 42, 52, 56, 68, 77, 92, 103, 109, 112, 137, 212, 214;

District Nos. 1999-106, 113, 138, 150, 182, 201, 202, 222, 233, 234;

District Nos. 2000-24-6, 44, 82, 219, 235;

District Nos. 2001-236, 237, 238;

District Nos. 2002-141, 239, 240, 242, 243, 244, 251, 252, 253, 254, 255, 256;

District Nos. 2003-197, 245, 246, 259, 260;

District Nos. 2004-180, 221, 241, 247, 248, 257, 261, 262, 264, 265, 266, 267, 268, 271, 272, 274, 276, 277, 900;

District Nos. 2005-159, 184, 217, 256-01, 263, 272-01, 273, 275, 278, 279, 281, 282, 283, 286, 287, 289, 292, 293, 296, 299;

District Nos. 2006-173, 272-02, 292-01, 294, 295, 297, 298, 301, 302, 314, 315, 901;

District Nos. 2007-304, 312, 313, 316, 318, 319, 320;

District Nos. 2014-321 and 322;

The designation of the Park District is as follows: Park Maintenance and Recreation Improvement District;

The designation of the Streetlight Assessment Districts is as follows:

District No. 1, located throughout the City includes Annexation Nos. 001; 003 through 007; 009; 011; 013 through 080; 082 through 092; 095 through 097; 099 through 111; 113 through 117; 119 through 132; 134 through 137; 139 through 141, 144 through 152, 154, 186 and 203.

District No. 2, located in the Anaverde Master Planned Community consists of 2 annexations, 800 and 801.

District No. 3, located in the Master Planned Community of Ritter Ranch consists of one annexation, 900.

District No. 4, located throughout the City includes Annexation Nos. 155 through 170, 172 through 175, 178, 180, 184, and 193.

District No. 5, located throughout the City, includes one district, No. 91616, which was previously covered under the Los Angeles County Lighting Maintenance District No. 1616. LA County administered the streetlights assessments and managed the streetlights improvements up to Fiscal Year 2013/2014. Starting on Fiscal Year 2014/2015 the City of Palmdale took over these functions from the County.

SECTION 6. Reference is hereby made to the Reports for a full and detailed description of the improvements, the boundaries of the Districts and the assessments upon assessable lots and parcels of land within the Districts.

SECTION 7. The assessments for the Landscape Assessment Districts are subject to an annual adjustment tied to the annual change in the Consumer Price Index ("CPI") for the Los Angeles area as of February or March of each succeeding year. The change in the CPI from February 2025 to February 2026 was 2.93%. The change in the CPI from March 2025 to March 2026 was 3.40%. Therefore, for Fiscal Year 2026-27, the maximum authorized assessment rates which are based on the February CPI are the previous year maximum authorized assessment rate for each District increased by 2.93% and the maximum authorized assessment rates which are based on the March CPI, are the previous year maximum authorized assessment rate for each District increased by 3.40%. The proposed assessment amount does not exceed the authorized amount.

The assessment for the Park District is subject to an annual adjustment tied to the annual change in the CPI for the Los Angeles Area as of January of each succeeding year, with the maximum annual adjustment not to exceed 3%. Any change in the CPI in excess of 3% shall be cumulatively reserved as the "Unused CPI" and shall be used to increase the maximum authorized assessment rate in years in which the CPI is less than

3%. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year the assessment was levied adjusted annually by the minimum of (a) 3% or (b) the change in the CPI plus any Unused CPI as described above. The change in the CPI from January 2025 to January 2026 was 3.02%. Therefore, the maximum authorized assessment rate for Fiscal Year 2026-27 is increased by 3%. The proposed assessment amount does not exceed the authorized amount.

The assessments for the Streetlight Assessment Districts are subject to an annual adjustment tied to the annual change in the CPI for the Los Angeles Area as of February of each succeeding year. The change in the CPI from February 2025 to February 2026 was 2.93%, therefore, for Fiscal Year 2026-27, the maximum authorized assessment rates are the previous year maximum authorized assessment rate for each District increased by 2.93%. District No. 1, Annexation Nos. 186 and 203, include a maximum annual adjustment not to exceed 3%; therefore, the maximum authorized assessment rates for Fiscal Year 2026/2027 are increased by 2.93%. The amount of the assessment proposed for all Streetlight Assessment Districts does not exceed the authorized amount.

SECTION 8. A public hearing concerning the proposed assessments for the Districts shall be held by the City Council on July 7, 2026 at 5:00 p.m., or as soon thereafter as the matter may be heard, in the City Council Chambers located at 38300 Sierra Highway, Suite B, Palmdale, California, in accordance with Chapter 3, Section 22626 of the Act.

SECTION 9. The City Clerk is hereby authorized and directed to cause a notice of the hearing for the continuation of the assessments for the Districts to be given by publishing a notice once, at least ten (10) days prior to the date of the hearing above specified, in a newspaper circulated in the Districts.

SECTION 10. This Resolution shall take effect immediately upon its adoption.

SECTION 11. The City Clerk shall certify the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this 2nd day of June, 2026.

_____
Eric Ohlsen, Mayor

APPROVED AS TO FORM:

_____
Alexandra Severino, City Attorney

ATTEST:

_____
Rochelle Scott, City Clerk

I, Rochelle Scott, City Clerk of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the City Council of the City of Palmdale at a regular meeting of said Council held on the 2nd day of June, 2026 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

CITY OF PALMDALE

Fiscal Year 2026/27 Combined Engineer's Report For:

Landscape Maintenance Assessment Districts and Annexations

May 2026

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1. ENGINEER'S LETTER

WHEREAS, the City Council of the City of Palmdale (the "City"), State of California, under the Landscaping and Lighting Act of 1972 (the "Act"), directed NBS to prepare and file the Combined Annual Engineer's Report for the Landscape Maintenance Assessment Districts and Annexations (the "Assessment Districts" or "Districts") for Fiscal Year 2026/27, in accordance with Article 4 of Chapter 1 of the Act and Article XIII D of the California Constitution. The report presents the plans[1] and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the administration, maintenance, operations and servicing of the improvements for Fiscal Year 2026/27, the diagram for the Assessment Districts, showing the area and properties to be assessed, and assessing the net amount upon the assessable lots and/or parcels within the Assessment Districts in proportion to the special benefit received.

NOW THEREFORE, the assessments as detailed in this Engineer's Report and as summarized in the table below are made to cover the portion of the estimated costs of maintenance, operation and servicing of said improvements to be paid by the assessable real property within the Assessment Districts in proportion to the special benefit received.

District	Parcel Count(1)	Total EDUs(2)	Proposed FY 2026/27 Assessment Amount
Landscape Maintenance Assessment Districts and Annexations(3)	29,475	27,606.10	$7,871,045.79

(1) Includes parcels levied and active parcels not yet subject to the assessment. 27,243 parcels are levied.
(2) Includes only EDUs for districts which are levied in Fiscal Year 2026/27.
(3) A list of the Assessment Districts and annexations containing the total proposed Fiscal Year 2026/27 assessments, the number of parcels assessed and assessment rate are detailed in Section 8 of this Engineer's Report.

I, the undersigned, respectfully submit this Engineer's Report and, to the best of my knowledge, information and belief, the Engineer's Report, Assessments, and the Assessment Diagram herein have been prepared, computed and levied in accordance with the assessment methodology adopted, approved and ordered by the City Council of the City of Palmdale at the time of each District formation.

_____

John G. Egan, P. E.
Assessment Engineer

[1] *Detailed plans are included by reference and on file in the office of the City Engineer.*

2. INTRODUCTION

2.1 Background

The City provides maintenance and servicing of certain publicly owned landscaped areas and detention basins throughout the City. In order to fund the maintenance of these landscaping projects and improvements, the City has formed 251 Landscape Maintenance Assessment Districts and Annexations with approximately 29,000 parcels. The Assessment Districts have been formed and the assessment levies have been made pursuant to Part 2 of Division 15 of the California Streets and Highways Code, commonly known as the Landscape and Lighting Act of 1972, and Article XIII D of the California Constitution (the "Article XIII D").

2.2 Assessment District Inventory

Currently there are 246 existing Assessment Districts covering approximately 29,000 parcels. This Engineer's Report covers the 246 existing Assessment Districts. The City currently maintains landscape for only 234 Assessment Districts, encompassing about 27,250 parcels, and over 217 acres of landscaping located throughout the City. Although some Assessment Districts have been formed, the local improvements have not yet been installed and the City has not taken over the maintenance of their landscaping. Most of the Assessment Districts are comprised of residential parcels, both single-family and multi-family, with the exception of a few commercial developments.[2]

A complete list of the Assessment Districts including the number of parcels and the area of landscaping maintained is included in Sections 7 and 8 of this Engineer's Report. In addition to the existing 246 Assessment Districts, there are several developments throughout the City that were covered under the original district, prior to 1996, and are not included within the existing 246 Assessment Districts. The developments and reason for their exclusion are as follows:

- There are 20 developments within the City that were originally maintained by the City. These 20 developments failed to receive voter approval in 1996 and, therefore, are no longer maintained by the City;
- There are 23 developments within the City, which have no landscaping improvements and are, therefore, not maintained by the City; and
- There are 10 developments within the City, which have been combined with other developments when the Assessment Districts were approved.

The designation of the existing Assessment Districts is as follows:

Assessment District Nos. 1997-1, 2, 6, 7, 9, 10, 13, 14, 17, 19, 20, 23, 24, 24-1, 24-2, 24-3, 24-5, 25, 26, 28, 29, 31, 33, 35, 36, 41, 43, 46, 48, 49, 51, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 69, 70, 72, 73, 75, 76, 78, 80, 83, 84, 85, 86, 87, 88, 89, 93, 94, 96, 97, 98, 99, 100, 102, 105, 107, 110, 111, 114, 115, 116, 119, 120, 121, 122, 123, 125, 126, 127, 128, 129, 131, 133, 135, 136, 139, 140, 143, 144, 145, 146, 148, 151, 152, 153,

[2] *As detailed in the Annual Engineer's Report, City of Palmdale, Landscape Maintenance Assessment Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

154, 156, 157, 160, 163, 165. 167, 168, 171, 175, 176, 177, 178, 179, 183, 188, 189, 190, 191, 192, 193, 195, 199, 203, 204, 206, 207, 213, 216, 220, and 224;

Assessment District Nos. 1998-5, 11, 12, 15, 16, 21, 22, 30, 32, 37, 39, 40, 42, 52, 56, 68, 77, 92, 103, 109, 112, 137, 212, and 214;

Assessment District Nos. 1999-106, 113, 138, 150, 182, 201, 202, 222, 233, and 234;

Assessment District Nos. 2000-24-6, 44, 82, 219, and 235;

Assessment District Nos. 2001-236, 237, and 238;

Assessment District Nos. 2002-141, 239, 240, 242, 243, 244, 251, 252, 253, 254, 255, and 256;

Assessment District Nos. 2003-197, 245, 246, 259, and 260;

Assessment District Nos. 2004-180, 221, 241, 247, 248, 257, 261, 262, 264, 265, 266, 267, 268, 271, 272, 274, 276, 277, and 900;

Assessment District Nos. 2005-159, 184, 217, 256-01, 263, 272-01, 273, 275, 278, 279, 281, 282, 283, 286, 287, 289, 292, 293, 296, and 299;

Assessment District Nos. 2006-173, 272-02, 292-01, 294, 295, 297, 298, 301, 302, 314, 315, and 901;

Assessment District Nos. 2007-304, 312, 313, 316, 318, 319, and 320;

Assessment District Nos. 2014-321 and 2014-322; and

Assessment District Nos. 2020-290 and 2020-324. For details of the assessments, refer to the annexation Engineer's Report approved on January 12, 2022 and the amended on May 4, 2022 for Assessment District No. 2020-290. Refer to the annexation Engineer's Report approved on November 3, 2021 for Assessment District No. 2020-324.

2.3 District Changes

The following information highlights certain Assessment Districts that have had modifications from their original formation or require individual budgetary attention.[3]

Annexation 97-24-5B is assessed under Annexation 97-24-5.

Beginning with Fiscal Year 2006/07, the landscaping within Assessment District No. 251, located south of Avenue N on the west side of 50th Street West and Assessment District No. 2004-900, will be maintained by each Assessment District's respective HOA. For Fiscal Year 2009/10, Assessment District No. 251's assessment rate was lowered to $47.46 per parcel. Therefore, Assessment District No. 251's annual assessments only include administrative costs to provide compliance monitoring for maintenance standards and quality.

The following Assessment Districts are commercial development and the assessments are calculated based on acreage (see the Method of Assessment section of this Engineer's Report):

1. Assessment District No. 152, located between Avenue O-8 and Avenue P, east of 15th Street West and west of the Antelope Valley Freeway;

[3] *As detailed in the Annual Engineer's Report, City of Palmdale, Landscape Maintenance Assessment Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

2. Assessment District No. 154, located on the northwest corner of Avenue N and 10th Street West; and
3. Assessment District No. 195, located on the northeast corner of Avenue Q and 5th Street West.

Assessment District No. 80 is a mobile home district that is located on Rancho Vista Boulevard and approximately Avenue N-8. The assessments are calculated based on acreage (see the Method of Assessment section of this Engineer's Report).

Beginning with Fiscal Year 2001/02, Assessment District Nos. 115 and 192 received a decrease in their per parcel assessment. This was due to the removal of drainage facilities and the elimination of the maintenance associated with those facilities.

Beginning Fiscal Year 2006/07, for Assessment District No. 256, Annexation No. 01, there was one additional parcel added to the southeast corner of Tract No. 52490. This parcel was added at the request of the property owner.

Beginning with Fiscal Year 2008/09, in Assessment District No. 268 only developed parcels will be assessed in Phase 1 and 2 and a portion of Phases 3, 4, and 5. Only a portion of the landscape improvements were installed and accepted for maintenance.

All parcels included within Assessment District Nos. 292 and 292-01 are combined and identified under Assessment District No. 292. Beginning with Fiscal Year 2009/10, the assessments for Assessment District Nos. 292 and 292-01 has been amended to $539.88. Assessment District No. 292 is to have no assessment for either the multipurpose trail along 70th Street West or the offsite flood control basin at the southwest corner of 65th Street West and Avenue M.

For Fiscal Year 2009/10 Assessment District No. 297 was credited $20,419.71 and no further assessments were levied. No landscape improvements were constructed and Tentative Tract Map 61610, for which Assessment District No. 297 was formed, has expired and no property entitlement exists on the property anymore.

Beginning with Fiscal Year 2011/12, Assessment District No. 900 shall not be levied an assessment as the City does not maintain the local improvements.

Assessment District No. 2004-277 has been dissolved as of April 6, 2016. The HOA will undertake the maintenance of all improvements and services beginning Fiscal Year 2016/17.

The City does not assess Assessment District Nos. 2005-297, 2006-173, 2006-302, 2007-312, 2007-313, 2007-316, 2007-318, 2007-319, 2007-320, 2014-321, 2014-322, and 2006-901 because the landscaping has not been completed or accepted for maintenance. For Fiscal Year 2026/27, these Assessment Districts will receive a credit towards their assessment resulting in a zero assessment.

The annexation Engineer's Report was approved for Assessment District No. 2020-290 on January 12, 2022 and a reduction of the rate was subsequently approved with the Amended Engineer's Report on May 4, 2022.

Beginning in Fiscal Year 2026/27, the maximum assessment rates for the following districts were adjusted down based on the results of a district wide financial review and evaluation: 1998-11, 1997-24-5, 1998-32, 1997-65, and 2005-217.

2.4 Process for Annual Assessment

As required by the procedures specified in the Act, an Engineer's Report must be prepared on an annual basis which contains a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the assessment district.

The City Council must also annually adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the assessment district for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the assessment district by its distinctive designation and indicates the general location of the assessment district.
- Refers to the report of the engineer, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the assessment district.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment allowed, the City Clerk shall give notice of the public hearing by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including changes in the improvements, any zones within the assessment district, and the proposed diagram or the proposed assessment. If the assessment to be levied exceeds the maximum assessment allowed, the City must comply with the procedures specified in Article XIII D and Proposition 218.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment. If confirmed, the assessments would be submitted to the County Auditor Controller for inclusion on the property tax roll.

2.5 Legislative Context

In 1996, California Voters adopted Proposition 218, the "Right to Vote on Taxes Act" which added Articles XIII C and XIII D to the California Constitution. Article XIII D imposes certain substantive and procedural requirements on any agency that wishes to levy special assessments.

Article XIII D imposes four basic substantive requirements on assessments[4]:

- All parcels that will have a special benefit conferred upon them and upon which an assessment will be imposed must be identified;
- The general benefits must be distinguished from the special benefits conferred on the parcels;
- The proportionate special benefit derived by each parcel must be determined in relationship to the entirety of the capital improvement, the maintenance and operation expenses of the public improvement, or the cost of the property related service being provided; and
- The amount assessed to a parcel must not exceed the reasonable cost of the proportional special benefit conferred on that parcel and does not include any costs attributable to the general benefit.

Since the initial passage of Proposition 218, several court rulings have helped provide context and direction on the practical implementation procedures and requirements for levying assessments. Several of the key concepts from these rulings are summarized below.

GENERAL BENEFIT

Article XIII D requires an agency to separate the general benefits from the special benefits conferred because only special benefits are assessable.

The Court of Appeal in *Golden Hills Neighborhood Assn., Inc. v. City of San Diego* (2011) (*Golden Hills*)[5] clarified this concept by stating, "*Separation and quantification of general and special benefits must be accomplished by apportioning the cost of a service or improvement between the two and assessing property owners only for the portion of the cost representing special benefits*."

The Court of Appeal in *Beutz v. County of Riverside* (2010) (*Beutz*)[6] quoted from the Legislative Analyst's Office pamphlet titled "Understanding Proposition 218" which states an agency must, "*estimate the amount of special benefit landowners would receive from the project or service, as well as the amount of 'general benefit.' This step is needed because Proposition 218 allows local government to recoup from assessments only the proportionate share of cost to provide the special benefit.*"

The Court in *Beutz* furthered this idea stating, "*Separating the general from the special benefits of a public improvement project and estimating the quantity of each in relation to the other is essential if an assessment is to be limited to the special benefits*."

The Court of Appeal in *Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority* (2008) (*SVTA*)[7] clarified that general benefits are not restricted to benefits conferred only on persons and property outside the assessment district but can include benefits both conferred on real property located in the district or to the public at large. The "public at large" includes all members of the public, including those who live, work, and shop within the district, and not simply transient visitors.

[4] *California Constitution Article XIII D Section 4.*
[5] *Golden Hill Neighborhood Assn. v. City of San Diego CA4/1, D062203 (Cal. Ct. App. 2013)*
[6] *Beutz v. County of Riverside, 109 Cal. Rptr. 3d 851 (Cal. Ct. App. 2010)*
[7] *Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority, 44 Cal. 4th 431 (2008).*

BENEFIT-BASED NOT COST-BASED

In *Bonander v. Town of Tiburon* (2009) (*Tiburon)*[8], the Court of Appeal clarified the idea that assessments must be apportioned based upon benefit rather than cost. The Court stated, "*Proportionate special benefit is the basis upon which a project's total assessable costs are apportioned among parcels within an assessment district.*"

The assessment on a particular property cannot be based on the relative cost of the improvements, but rather the special benefit conferred on such property. The Court in *Tiburon* also stated, "*an assessment represents the entirety of the cost of the improvement or property-related service, less any amount attributable to general benefits (which may not be assessed), allocated to individual properties in proportion to the relative special benefit conferred on the property*."

PUBLIC PROPERTY

Section 4, Subdivision (a) of Article XIII D states, in part, "*Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.*" Historically there had been differing opinions about whether this requirement that publicly owned property should not be exempt actually meant those properties must be assessed.

The Court of Appeal in *Manteca Unified School District v. Reclamation District No. 17 et al* (2017) *(Manteca)*[9] clarified this issue by stating, *"section 4, subdivision (a) of article XIII D of the California Constitution unambiguously conditions any continuing benefit assessment exemption on a showing by clear and convincing evidence of no special benefit.*"

IMPRECISION

The Court in *Tiburon* acknowledged the difficulty of trying to precisely assign and measure special benefit, stating, "*Any attempt to classify special benefits conferred on particular properties and to assign relative weights to those benefits will necessarily involve some degree of imprecision.*"

The Court in *Tiburon* went on to say that a formula assigning equal weight to different special benefits *"may be a legally justifiable approach to measuring and apportioning special benefits,* [but] *it is not necessarily the only valid approach. Whichever approach is taken to measuring and apportioning special benefits, however, it must be both defensible and consistently applied*."

[8] *Bonander v. Town of Tiburon, 147 Cal. App. 4th 1116 (Cal. Ct. App. 2007)*
[9] *Manteca Unified School District v. Reclamation District No. 17 et al, C077906 (Cal. Ct. App. 2017)*

3. PLANS AND SPECIFICATIONS

The work and improvements proposed to be undertaken by the City and the cost thereof paid from the levy of the annual assessment provide special benefit to assessor parcels within the Assessment Districts defined in the Method of Assessment herein. Consistent with the Act, the improvements are generally described as follows:

The installation, maintenance and servicing of ornamental structures, landscaping, including trees, shrubs, grass, and other ornamental vegetation, and appurtenant facilities, including irrigation systems, drainage devices, and drywells located in public places within the boundaries of the Assessment Districts.

“Maintenance” means the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including: repair, removal, or replacement of all or part of any improvement; providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; the removal of trimmings, rubbish, debris, and other solid waste; the cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

“Servicing” means the furnishing of electricity for the lighting and operation of any ornamental structures, landscaping, and appurtenant facilities; water for the irrigation and control of the landscaping, and the maintenance of any of the ornamental structures, landscaping and appurtenant facilities.

Improvements: Article XIII D of the California Constitution defines "maintenance and operation expenses" as "the cost of rent, repair, replacement, rehabilitation, fuel, power, electrical current, care and supervision necessary to properly operate and maintain a permanent public improvement" (hereinafter referred to as the "improvements"). The Assessment District's funding includes, but is not limited to, the removal, repair, replacement and appurtenances, electrical energy, supplies, engineering and incidental costs relating to the maintenance and operation of the landscape improvements benefiting the Assessment Districts’ parcels.[10]

Plans and Specifications for the improvements for the Assessment Districts are voluminous and are not bound in this report but by this reference are incorporated and made a part of this Engineer’s Report. The Plans and Specifications are on file in the office of the Director of Public Works where they are available for public inspection.

[10] *As detailed in the Annual Engineer’s Report, City of Palmdale, Landscape Maintenance Assessment Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

4. ESTIMATE OF COSTS

Fiscal Year 2026/27 estimated costs of maintenance and servicing the improvements as described in the Plans and Specifications of this Engineer's Report are summarized below. The full itemized budget for the Assessment Districts is voluminous and is not bound in this Engineer's Report but by reference is incorporated and made a part of this Engineer's Report. The itemized budget is on file in the Department of Public Works, where it is available for public inspection. The tables below show the budget summary for the Assessment Districts.

Combined Landscape Maintenance Assessment District Budget Fund and Budget Summary, Fiscal Year 2026/27	
Description	**Proposed FY 2026/27 Costs**
Direct Maintenance Costs	$2,421,980
Utility Costs	1,210,000
Other Costs	7,637,240
Capital Expenses	585,750
Estimated Expenditures	**$11,854,970**
Contributions from Other Sources (1)	(3,983,924)
Fiscal Year 2026/27 Net Amount to be Assessed	**$7,871,046**

(1) Includes City general fund contributions, developer contributions, and other sources.

A list of the Assessment Districts containing the Fiscal Year 2026/27 assessment, number of parcels proposed to be assessed, and the assessment rate per EDU is included in Section 8 of this Engineer's Report.

The following cost descriptions apply to the budget:

DIRECT MAINTENANCE COSTS

Maintenance Costs. Labor, Material, and Equipment - Includes labor, material, and equipment required to properly maintain and service the ornamental structures, landscaping, and appurtenant facilities within the Assessment Districts, including the maintenance and servicing of drywells, fencing, entry monuments, and drainage facilities. Improvements within the Assessment Districts will be maintained and serviced on a regular basis. City staff will determine the frequency and specific maintenance operations required; but generally, the operations will occur weekly.

Renovation. Repairs that are unforeseen and not normally included in the yearly maintenance cost. This may include repair of damage due to vandalism, storms, and frost. Planned upgrades of the improvements that provide a direct benefit to the Assessment Districts could also be included in renovation costs. Examples of upgrades are replacing plant materials and/or renovating irrigation systems.[11]

[11] *Costs descriptions from the Annual Engineer's Report, City of Palmdale, Landscape Maintenance Assessments Districts and Annexations, Fiscal year 2020/21 dated April 2020.*

UTILITY COSTS

Water. The furnishing of water required for the irrigation of the landscaping and the maintenance of the ornamental structures and appurtenant facilities.

Gas and Electric. The furnishing of electricity and gas required for the operation of the ornamental structures, landscaping and appurtenant facilities.

OTHER COSTS

Personnel/Overhead. The cost of City staff for providing the coordination for maintenance and servicing, responding to public concerns, and levying and collecting assessments. This includes reimbursement for time spent by Finance and Accounting, the City Attorney, the City Manager, and the Public Works staff.

Consultants. The cost of contracting with professionals to provide services specific to the levy and annual administration.

Professional Fees. These are the costs of contracting with professionals for annual certification of irrigation backflow devices and for professionals to provide any additional administrative or engineering services specific to the Assessment Districts, such as the cost to prepare and mail notices of the public hearing, or preparation of assessment diagrams.

County Administration Fees. The costs charged by the County to place the assessments on the property tax rolls.

5. METHOD OF APPORTIONMENT

The following section of includes an explanation of the benefits to be derived from the installation, maintenance and servicing of the improvements throughout each Assessment District, as well as a description of the assessment methodology used to apportion the total assessment to properties within each Assessment District (with the exception of Assessment District Nos. 2020-290 and 2020-324).

The method of apportionment and description of benefit for Assessment District No. 2020-290 is detailed in the Amended Engineer's Report approved on May 4, 2022 (including the reduction of the rate). The method of apportionment and description of benefit for Assessment District No. 2020-324 is detailed in the annexation Engineer's Report approved on November 3, 2021.

For all other Assessment Districts, previous annual Engineer's Reports were prepared by a different engineer of record and specific language from the prior year's Engineer's Report [12] has been referenced to describe the Method of Apportionment within the following section of this report. [13]

The Assessment Districts consist of all assessor parcels within the boundaries as defined by the Assessment Diagram included with this report. Further, all assessor parcels, including all privately and publicly owned parcels, are identified by Assessor Parcel Numbers listed within the included levy roll. The method used for apportioning the assessment is based on the proportional special benefits to be derived by the properties in the Assessment Districts over and above general benefits conferred on real property or to the public at large.

The apportionment of special benefit is a two-step process: the first step is to identify the types of special benefit arising from the improvements, and the second step is to allocate the assessments to property based on the estimated relative special benefit for each type of property.

5.1 Special Benefit

The improvements are expected to confer certain special benefits to the parcels within each Assessment District. Pursuant to the Prior Engineer's Report, the special benefit conferred to parcels is more fully described as follows:

> *Each and every parcel within each Assessment District receives a particular and distinct benefit from the improvements over and above general benefits conferred by the improvements.*
>
> *First, all of the improvements were conditions of approval for the creation or development of the parcels. In order to create or develop the parcels, the City required the original developer to install, and guarantee the maintenance of, landscaping, ornamental structures, and appurtenant facilities to serve the parcels. Therefore, each*

[12] *Method of Apportionment and subsections as detailed in the Annual Engineer's Report, City of Palmdale, Landscape Maintenance Assessment Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020 ("Prior Engineer's Report").*

[13] *Method of Apportionment and subsections as detailed in the Annual Engineer's Report, City of Palmdale, Landscape Maintenance Assessment Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

and every parcel within the Assessment Districts could not have been developed in the absence of the installation and promised maintenance of these facilities.

In addition, the improvements continue to confer a particular and distinct special benefit upon parcels within the Assessment Districts because of the nature of the improvements. The proper maintenance of landscaping and appurtenant facilities specially benefit parcels within the Assessment Districts by moderating temperatures, providing oxygenation, attenuating noise from adjacent streets and controlling dust for those properties in close proximity to the landscaping, thereby enhancing the environmental quality of the parcels and making them more desirable. Properly maintained landscaping also deters erosion of slopes and thereby minimizes the risk of instability and the potential destruction of property within the Assessment Districts. The spraying and treating of landscaping for disease reduces the likelihood of insect infestation and other diseases spreading to landscaping located throughout the properties within the Assessment Districts. The proper maintenance of the landscaping, ornamental structures, and appurtenant facilities reduces property-related crimes (especially vandalism) against properties in the Assessment Districts through the abatement of graffiti and the screening of properties within the Assessment Districts from arterial streets.

Finally, the proper maintenance of landscaping and ornamental structures improves the attractiveness of the properties within the Assessment Districts and provides a positive visual experience each and every time a trip is made to or from the property. The above-mentioned benefits contribute to the specific enhancement of the property values of each of the parcels within the Districts.

The *SVTA* decision provides enhanced clarity to the definitions of special benefits from landscaping and parks to properties in three distinct areas: proximity, expanded or improved access, and views. The *SVTA* decision also clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits. The *SVTA* decision also provides specific guidance that setback landscaping is a direct advantage and special benefit to property that is proximate to a landscaped area that is improved by an assessment:

> *The characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g. proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g. general enhancement of the district's property values).*

Proximity, improved access and views, in addition to the other special benefits listed herein further strengthen the basis of these assessments.

5.2 Quantification of General Benefit

Although the analysis used to support these assessments concludes that the benefits are solely special, as described above, consideration is made for the suggestion that a portion of the benefits are general. General benefits cannot be funded by these assessments – the funding must come from other sources.

The maintenance and servicing of these improvements is also partially funded, directly and indirectly from other sources including the City, Los Angeles County, and the State of California. This funding comes in the form of grants, development fees, special programs, and general funds, as well as direct maintenance and servicing of facilities (e.g. curbs, gutters, streets, drainage systems, etc.). This funding from other sources more than compensates for general benefits, if any, received by the properties within the Assessment Districts.

STEP 1 – CALCULATION OF GENERAL BENEFIT

The general benefits from this assessment may be quantified as illustrated in the following table.

Calculation of General Benefit(1)

Benefit Factor	Relative Weight	General Benefit Contribution	Relative General Benefit
Extension of landscaped area	2	10%	0.2
Proximity to improved landscaping	2	10%	0.2
Access to improved landscaped areas	2	10%	0.2
Improved views	2	10%	0.2
Creation of individual lots for development or approval of building permits	92	0%	0
	100		0.2
		Total Calculated General Benefit =	**0.8%**

(1) Per the Prior Engineer's Report.

As a result, the City will contribute at least 0.8% of the total budget from sources other than the assessment. The following contribution offsets any general benefits from the assessment services.

STEP 2 – CALCULATE THE CURRENT GENERAL BENEFIT CONTRIBUTION FROM THE CITY

Pursuant to the Prior Engineer's Report, the overall general benefit contribution is the sum of the following components:

The City owns, maintains, rehabilitates and replaces curb and gutter along the border of the Assessment Districts' improvements. This curb and gutter serves to support, contain, retain, manage irrigation flow and growth, and provide a boundary for the improvements. The contribution from the City towards the general benefit from the maintenance, rehabilitation, and replacement of the curb and gutter is conservatively estimated to be 1%.

The City owns and maintains a storm drainage system along the border of the Assessment Districts' improvements. This system serves to prevent flooding and associated damage to the improvements, and manage urban runoff including local pollutants loading from the improvements. The contribution from the City towards general benefit from the maintenance, and operation of the local storm drainage system is conservatively estimated to be 1%.

The City owns and maintains local public streets along the border of the Assessment Districts' improvements. These public streets provide access to the improvements for its enjoyment as well as efficient maintenance. The contribution from the City towards general benefit from the maintenance of local public streets is conservatively estimated to be 1%.

The value of the construction of the improvements can be quantified and monetized as an annuity. Since this construction was performed and paid for by non-assessment funds, this "annuity" can be used to offset general benefit costs and is conservatively estimated to contribute 25%.

Therefore, the total general benefit is conservatively quantified at 0.8% which is more than offset by the total non-assessment contribution towards general benefit of 28%.

5.3 Method of Assessment

The development of an assessment methodology requires apportioning benefit to determine the relative special benefit for each property. The precise language from the Prior Engineer's Report is included below:

> *In the single-family residential Assessment Districts, the parcels in the Assessment Districts receive the same special benefit from the improvements due to their similarity in size and use and their similar proximity to the improvements. Therefore, each parcel is assessed an equal amount.*
>
> *In the mobile home Assessment Districts, each mobile home unit receives an equal special benefit from the improvements. However, because each parcel within such Assessment District may have a different number of mobile home units, the assessment against each parcel varies depending on the potential number of units, which may be located on the parcel. Since the potential number of units on a parcel depends on the area of the parcel, the estimated cost of the improvements in a mobile home Assessment District has been divided among the parcels within the Assessment District according to the area of each parcel in the Assessment District.*
>
> *In the commercial Assessment Districts, the special benefit to each parcel is derived not only from the benefits to the property described above, but also the enhancement of the property's value through its ability to attract clients, employees and customers to the parcel. This benefit increases according to the size of the business and the number of people using the parcel, which in turn generally correlates to the area of the parcel. Therefore, the estimated cost of the improvements in a commercial District has been divided among the parcels within the District according to the area of each parcel in the District.*
>
> *Publicly owned parcels will be assessed the same as other parcels, except for publicly owned drainage basins. The publicly owned drainage basin parcels are undeveloped and are required to remain undeveloped in order to function as drainage basins. Therefore, the parcels receive none of the special benefits described above.*

5.4 Cost of Living Inflator

Annually, the maximum assessment rates for the Assessments Districts may be increased, based upon the Consumer Price Index, All Urban Consumers, for Los Angeles-Long Beach-Anaheim Area ("CPI"), as determined by the United States Department of Labor, Bureau of Labor Statistics, or its successor[14].

[14] *As detailed in the Annual Engineer's Report, City of Palmdale, Landscape Maintenance Assessment Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

Annually, the Assessment Engineer shall compute the percentage difference between the CPI for the most recent February or March and the CPI for the previous February or March and shall then adjust the current fiscal year maximum assessment rate by an amount not to exceed such CPI percentage change for the following fiscal year. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the Assessment Engineer shall use the revised index or a comparable system as approved by the City Council for determining fluctuations in the cost of living.[15]

For Fiscal Year 2026/27, the Assessment Districts which are increased based on the increase of the February 2025 to February 2026 CPI, for All Urban Consumers in the Los Angeles-Long Beach- Anaheim Area, the maximum assessment rates are increased by 2.93%. The Assessment Districts which are increased based on the increase of the March 2025 to March 2026 CPI, for All Urban Consumers in the Los Angeles-Long Beach- Anaheim Area, the maximum assessment rates are increased by 3.40%.

The following tables show the applicable month of CPI data applied to calculate the maximum assessment rates for each of the Assessments Districts.

[15] *From the Annual Engineer's Report, City of Palmdale, Landscape Maintenance Assessments Districts and Annexations, Fiscal year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

Assessment District	CPI Month
1	March
2	March
5	March
6	March
7	March
9	March
10	March
11	March
12	March
13	March
14	March
15	March
16	March
17	March
19	March
20	March
21	March
22	March
23	March
24	March
24-1	March
24-2	March
24-3	March
24-4	March
24-5	March
24-6	March
25	March
26	March
28	March
29	March
30	March
31	March
32	March
33	March
35	March
36	March
37	March
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42	March
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125	March
126	March
127	March
128	March
129	March
131	March
133	March
135	March
136	March
137	March
138	March
139	March
140	March
141	February
143	March
144	March
145	March

Assessment District	CPI Month
146	March
148	March
150	March
151	March
152	March
153	March
154	March
156	March
157	March
159	February
160	March
163	March
165	March
167	March
168	March
171	March
175	March
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184	February
188	March
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192	March
193	March
195	March
197	February
199	March
201	March
202	March
203	March
204	March
206	March
207	March

Assessment District	CPI Month
212	March
213	March
214	March
216	March
217	February
219	February
220	March
221	February
222	March
224	March
233	March
234	March
235	February
236	February
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251	February
252	February
253	February
254	February
255	February
256	February
256-01	February
257	February
259	February
260	February
261	February
262	February
263	February
264	February

Assessment District	CPI Month
265	February
266	February
267	February
268	February
271	February
272	February
272-01	February
272-02	February
273	February
274	February
275	February
276	February
278	February
279	February
281	February
282	February
283	February
286	February
287	February
289	February
290	February
292	February
292-01	February
293	February
294	February
295	February
296	February
298	February
299	February
301	February
304	February
314	February
315	February
322	February
324	February

5.5 Fiscal Year 2026/27 Maximum Assessment Rates

The Fiscal Year 2026/27 maximum assessment rates for the Assessment Districts are included in Section 8 of this Engineer's Report.

5.6 Duration of Assessment

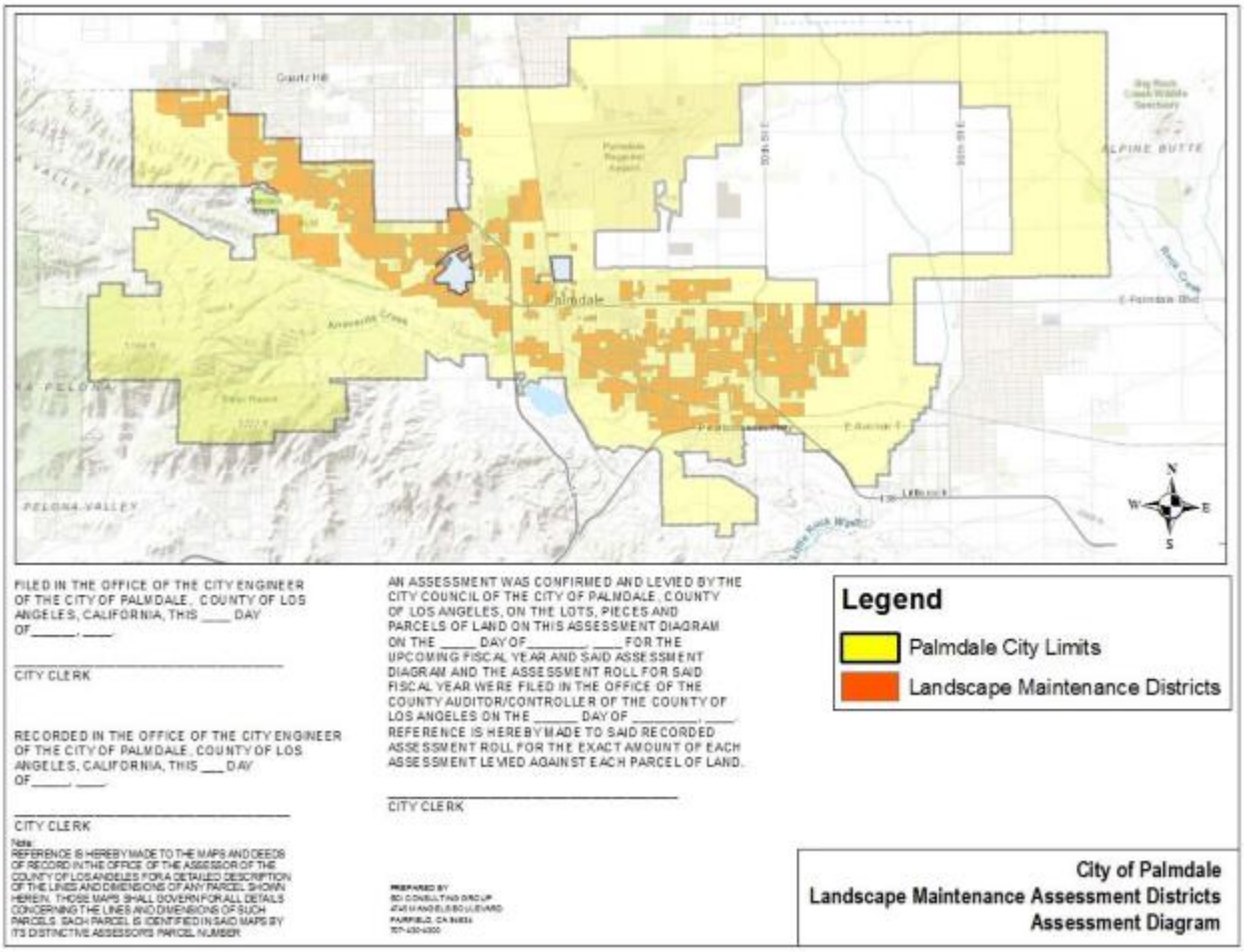
The Assessment Districts were formed or annexed in previous years. It is proposed that the assessments be continued every year after their formation or annexation, so long as the public improvements need to be maintained and improved, and the City requires funding for the improvements in each Assessment District. As noted previously, the assessment can continue to be levied annually after the City Council approves an annually updated Engineer's Report, budget for the assessment, improvements to be provided, and other specifics of the assessment. In addition, the City Council must hold an annual public hearing to continue the assessment.

5.7 Appeals and Interpretation

Any property owner who feels that the assessment levied on the subject property is in error, as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the City of Palmdale Public Works Department. Any such appeal is limited to correction of an assessment during the then current fiscal year or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the City of Palmdale Public Works Engineer or his or her designee will promptly review the appeal and any information provided by the property owner. If the Public Works Engineer of the City of Palmdale or her or his designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the City of Palmdale Public Works Engineer or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the City of Palmdale Public Works Engineer or her or his designee shall be referred to the Director of Public Works of the City of Palmdale, and the decision of the Director of Public Works of the City of Palmdale shall be final.

6. ASSESSMENT DIAGRAM

The boundaries of the Assessment Districts are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Assessment Districts are those lines and dimensions shown on the maps of the County Assessor of the County of Los Angeles, at the time this Engineer's Report was prepared, and are incorporated by reference herein and made part of this report.



7. LANDSCAPE MAINTENANCE DISTRICTS AREA MAINTAINED

The area of landscape maintained for each Assessment District is shown in the table below.

District[(1)]	FY Formed	Tract/ Parcel Map	Land Use	General Location	Total Streetscape (SF)	Total On-Site Basin LS (SF)	Total Area (SF)
1	97/98	33574	Res	Ave R-8 and 20th St East	831	2,907	3,738
2	97/98	35571	Res	Ave S and 35th St East	60,228	0	60,228
5	98/99	31585	Res	Tierra Subida	34,959	3,850	38,809
6	97/98	42989	Res	Ave R and 30th St East	4,224	0	4,224
7	97/98	42880	Res	Ave S and 15th St East	18,762	30,270	49,032
9	97/98	42405	Res	Ave S and 30th St East	30,217	0	30,217
10	97/98	36905	Res	Ave R-8 and 35th St East	2,204	11,901	14,105
11	98/99	37748	Res	Ave S and 15th St East	125,260	44,240	169,500
12	98/99	31130	Res	Ave S and 15th St East	44,199	13,095	57,294
13	97/98	43241	Res	Ave R-8 and 20th St East	640	0	640
14	97/98	44014	Res	Ave R-8 and 50th St West	1,590	0	1,590
15	98/99	42971	Res	Ave S and 25th St East	4,770	10,961	15,731
16	98/99	43325	Res	Ave S and 35th St East	21,109	44,240	65,349
17	97/98	43665	Res	Ave S and 30th St East	635	118,412	119,047
19	97/98	42956	Res	Ave R-8 and 20th St East	11,817	11,245	23,062
20	97/98	43687	Res	Rancho Vista Blvd and 15th St West	18,019	9,738	27,757
21	98/99	43306	Res	Ave R-8 and 25th St East	9,788	0	9,788
22	98/99	43065	Res	Ave R and 50th St East	3,185	60,000	63,185
23	97/98	43826	Res	Ave S and 20th St East	22,635	21,460	44,095
24	97/98	34296	Res	Rancho Vista Bl	228,509	221,499	450,008
24-1	97/98	46139	Res	Rancho Vista Bl	54,067	0	54,067
24-2	97/98	47932	Res	Rancho Vista Bl	41,975	19,680	61,655
24-3	97/98	46138	Res	Rancho Vista Bl	53,235	0	53,235
24-4					10,343	0	10,343
24-5	97/98-00/01	46136	Res	Rancho Vista Bl	18,475	6,844	25,319
24-5B	01/02	46136	Res	Rancho Vista Bl	0	0	See 24-5
24-6	00/01	52848	Res	Rancho Vista Bl	37,767	0	37,767
25	97/98	43324	Res	Ave R-8 and 20th St East	2,000	0	2,000
26	97/98	43031	Res	Ave R-8 and 25th St East	6,418	23,840	30,258
28	97/98	44244	Res	Rancho Vista Blvd and 15th St West	2,108	10,881	12,989
29	97/98	43892	Res	Ave S and 40th St East	4,761	0	4,761
30	98/99	44045	Res	Ave R-8 and 25th St East	8,594	7,888	16,482
31	97/98	43514	Res	Ave S and 40th St East	4,848	12,685	17,533
32	98/99	43312	Res	Ave R and Division	10,124	10,410	20,534
33	97/98	44528	Res	Ave S and 15th St East	30,157	6,270	36,427
35	97/98	43887	Res	Ave S and 25th St East	959	0	959
36	97/98	43024	Res	Ave R-8 and 25th St East	1,914	3,272	5,186
37	98/99	44165	Res	Ave R-8 and 20th St East	7,963	0	7,963
39	98/99	44256	Res	Ave R and 30th East	3,257	4,320	7,577
40	98/99	44221	Res	Tierra Subida	39,065	0	39,065
41	97/98	44713	Res	Rancho Vista Blvd and 20th St West	48,694	15,105	63,799
42	98/99	43356	Res	Ave R-8 and 20th St East	11,394	0	11,394
43	97/98	44184	Res	Ave S and 30th East	26,974	13,314	40,288
44	00/01	43814/43815	Res	Tierra Subida	17,604	7,166	24,770
46	97/98	29800	Res	Ave S and 25th St East	10,680	0	10,680
48	97/98	38007	Res	Ave R and 15th St East	0	13,962	13,962
49	97/98	44220	Res	Ave S and 15th St East	4,087	7,546	11,633
51	97/98	44140	Res	Ave R and 50th St East	7,785	0	7,785
52	98/99	32702	Res	Ave S and 15th St East	24,581	43,338	67,919
56	98/99	42884	Res	Ave R-8 and 45th St East	2,587	12,600	15,187
58	97/98	44909	Res	Ave R-8 and 45th St East	1,262	6,958	8,220
59	97/98	43310	Res	Ave R and 40th St East	13,146	15,072	28,218
60	97/98	45381	Res	Ave R-8 and 45th St East	13,384	8,000	21,384
61	97/98	43692	Res	Rancho Vista Blvd and 15th St West	19,722	26,878	46,600

District[1]	FY Formed	Tract/ Parcel Map	Land Use	General Location	Total Streetscape (SF)	Total On-Site Basin LS (SF)	Total Area (SF)
62	97/98	44101	Res	Ave M-8 and 55th St West	7,794	7,050	14,844
63	97/98	42338	Res	Ave N and 60th St West	42,430	34,016	76,446
64	97/98	32799	Res	Ave S and 35th St East	0	35,900	35,900
65	97/98	44251	Res	Ave R-8 and 50th St West	19,087	36,004	55,091
66	97/98	31495	Res	Ave S and 45th St East	127,413	0	127,413
67	97/98	44892	Res	Ave R-8 and 20th St East	7,305	10,606	17,911
68	98/99	44556	Res	Ave S and 40th St East	13,471	9,600	23,071
69	97/98	44915	Res	Ave S and 40th St East	6,442	6,078	12,520
70	97/98	45143	Res	Ave O and 30th St West	13,222	69,755	82,977
72	97/98	43536	Res	Ave R-8 and 50th St East	39,410	19,714	59,124
73	97/98	43719	Res	Ave M-8 and 70th St West	39,635	13,284	52,919
75	97/98	43564	Res	Ave S and 35th St East	17,494	6,440	23,934
76	97/98	43637	Res	Ave R-8 and 45th St East	1,123	16,771	17,894
77	98/99	43636	Res	Ave R-8 and 25th St East	1,492	7,995	9,487
78	97/98	44876	Res	Ave R-8 and 5th St East	33,418	42,054	75,472
80	97/98	PM 17435	MH	Rancho Vista Blvd	18,212	22,140	40,352
82	00/01	45045	Res	Ave R-8 and 25th St East	4,254	0	4,254
83	97/98	35564	Res	Ave R and 30th East	1,802	0	1,802
84	97/98	45263	Res	Ave R and 27th St East	4,484	9,663	14,147
85	97/98	45003	Res	Rancho Vista Blvd and 30th St West	60,997	104,174	165,171
86	97/98	45073	Res	Ave R and 50th St East	1,445	4,950	6,395
87	97/98	45273	Res	Pear Blossom Hwy and 30th East	62,590	37,934	100,524
88	97/98	45069	Res	Rancho Vista Blvd and 25th St West	17,723	6,630	24,353
89	97/98	45324	Res	Ave R and 40th St East	31,065	0	31,065
92	98/99	45507	Res	Ave S and 45th St East	6,011	3,500	9,511
93	97/98	43321	Res	Ave S and 35th East	867	3,600	4,467
94	97/98	45220	Res	Ave S and 40th St East	11,899	4,800	16,699
96	97/98	44897	Res	Ave R-8 and 50th St East	4,582	4,608	9,190
97	97/98	42886	Res	Ave M-8 and 55th St West	5,473	0	5,473
98	97/98	45125	Res	Ave R and 50th St East	22,619	14,668	37,287
99	97/98	44879	Res	Rancho Vista Blvd and 30th St West	16,322	10,580	26,902
100	97/98	45716	Res	Elizabeth Lake Rd and 20th St West	5,912	8,720	14,632
102	97/98	45460	Res	Tierra Subida	6,976	15,600	22,576
103	98/99	44402	Res	SE Corner of Ave R-8 and 55 St East	28,799	31,260	60,059
105	97/98	45216	Res	Ave S and 35th St East	9,760	18,846	28,606
106	99/00	45689	Res	Ave M-8 and 60th St West	8,719	3,885	12,604
107	97/98	25429	Res	Ave M and 60th St West	19,485	0	19,485
109	98/99	44701	Res	Ave R-8 and 60th St East	4,636	11,868	16,504
110	97/98	45574	Res	Rancho Vista Blvd and 20th St West	8,804	5,700	14,504
111	97/98	32793	Res	Ave O and 40th St East	16,795	0	16,795
112	98/99	44136	Res	Ave R-8 and 60th St East	7,414	6,365	13,779
113	99/00	45276	Res	Ave R and 50th St East	8,443	7,200	15,643
114	97/98	44898	Res	Ave R and 50th St East	6,786	6,720	13,506
115	97/98	46312	Res	Ave O and 30th St West	23,488	28,710	52,198
116	97/98	45196	Res	Elizabeth Lake Rd and 15th St West	4,063	8,925	12,988
119	97/98	46077	Res	Ave N and 45th St West	47,034	67,524	114,558
120	97/98	45705	Res	Ave R-8 and 60th St East	25,312	37,015	62,327
121	97/98	45750	Res	Ave R and 50th St East	10,521	12,870	23,391
122	97/98	45382	Res	Pear Blossom Hwy and 40th East	61,466	63,691	125,157
123	97/98	44791	Res	Ave O and 30th St West	10,555	25,960	36,515
125	97/98	45497	Res	Ave R-8 and 65th St East	24,682	6,650	31,332
126	97/98	45754	Res	Ave O and 30th St West	30,159	25,520	55,679
127	97/98	46409	Res	Ave O and 30th St West	8,572	0	8,572
128	97/98	43581	Res	Ave S and 15th St East	50,584	76,640	127,224
129	97/98	46784	Res	Ave O and 30th St West	82,568	63,915	146,483
131	97/98	46430	Res	Rancho Vista Blvd and 20th St West	8,575	23,129	31,704
133	97/98	45802	Res	Ave R and 30th St East	34,977	53,300	88,277
135	97/98	46279	Res	Ave R and 45th St East	0	29,500	29,500
136	97/98	45777	Res	Ave S and 40th St East	6,732	0	6,732
137	98/99	45672	Res	Ave S and 15th St East	15,248	39,648	54,896
138	99/00	Not Available	Res	Ave R and 50th St East	8,085	21,527	29,612
139	97/98	46089	Res	Ave S and 55th St East	30,669	31,500	62,169
140	97/98	43883	Res	Ave N and 55th St West	29,200	8,360	37,560

District[(1)]	FY Formed	Tract/ Parcel Map	Land Use	General Location	Total Streetscape (SF)	Total On-Site Basin LS (SF)	Total Area (SF)
141	02/03	47115, 47116,47117, 44544	Res	SW Corner of Ave R-8 and 65th St East	57,336	6,160	63,496
143	97/98	45657	Res	Ave O and 30th St West	9,114	0	9,114
144	97/98	45911	Res	Ave R and 35th St East	8,794	7,169	15,963
145	97/98	45548	Res	Pear Blossom Hwy and 30th St East	65,816	55,590	121,406
146	97/98	46436	Res	Ave M and 60th St West	60,421	17,484	77,905
148	97/98	36720	Res	Ave S and 30th St East	1,000	0	1,000
150	99/00	42999	Res	Ave M and 60th St West	4,561	16,103	20,664
151	97/98	44476	Res	Ave R-8 and 60th St East	9,319	19,673	28,992
152	97/98	46735	Comm	Rancho Vista Blvd and 10th St West	129,149	66,360	195,509
153	97/98	45092	Res	Ave R-8 and 60th St East	23,700	13,604	37,304
154	97/98	45282	Comm	Ave N and 10th St West	24,486	22,032	46,518
156	97/98	46032	Res	Ave O and 40th St East	10,011	20,449	30,460
157	97/98	44702	Res	Ave M-8 and 55th St West	1,430	4,720	6,150
159	05/06	44543	Res	SE Corner of Russ Pl and 55 St East	4,973	5,456	10,429
160	97/98	45071	Res	Ave O and 30th St West	25,808	19,140	44,948
163	97/98	45277	Res	Ave R and 50th St East	18,460	15,750	34,210
165	97/98	45743	Res	Rancho Vista Blvd and 25th St West	5,848	10,140	15,988
167	97/98	46036	Res	Fairway Dr and Rancho Vista Blvd	3,250	0	3,250
168	97/98	46355	Res	Ave S-8 and 45th St East	6,059	23,100	29,159
171	97/98	45493	Res	Ave R-8 and 60th St East	2,935	15,991	18,926
173	06/07	47510	Res	S of Ave R, W of 55th St East	1,395	0	1,395
175	97/98	33587	Res	Rancho Vista Blvd and 20th St West	9,806	0	9,806
176	97/98	45742	Res	Rancho Vista Blvd and 25th St West	8,616	14,210	22,826
177	97/98	45364	Res	Rancho Vista Blvd and 25th St West	19,847	8,430	28,277
178	97/98	44803	Res	Ave M and 70th St West	85,202	96,276	181,478
179	97/98	46536	Res	Ave P-12 and 25th St West	98,694	46,000	144,694
180	04/05	48846/48847	Res	SW Corner of Ave S-12 and 37th St East	10,242	61,000	71,242
182	99/00	47630	Res	Ave S and 25th St East	12,232	0	12,232
183	97/98	48665	Res	Ave S and 40th St East	11,403	0	11,403
184	05/06	46454	Res	SW Corner of Elizabeth Lake Road and 15th St West	24,873	23,140	48,013
188	97/98	45411	Res	Ave S-8 and 45th St East	6,808	24,598	31,406
189	97/98	47548	Res	Ave S and 40th St East	25,013	0	25,013
190	97/98	45219	Res	Ave S and 40th St East	9,054	19,110	28,164
191	97/98	46044	Res	Ave R and 40th St East	7,977	14,620	22,597
192	97/98	47466	Res	Ave O and Division	13,440	0	13,440
193	97/98	44526	Res	Elizabeth Lake Rd and 20th St West	44,483	34,508	78,991
195	97/98	46586	Comm	Ave P-8 and 5th St West	42,924	0	42,924
197	03/04	46710	Res	Ave R-12 and 25th St East	7,886	15,840	23,726
199	97/98	46123	Res	Elizabeth Lake Rd and 15th St West	1,071	34,155	35,226
201	99/00	25842	Res	Ave R-8 and 40th St East	7,900	24,750	32,650
202	99/00	46157	Res	Ave M-8 and 60th St West	8,454	12,733	21,187
203	97/98	48254	Res	Ave S and 40th St East	13,220	13,770	26,990
204	97/98	45506	Res	Ave R-4 and 65th St East	7,499	22,880	30,379
206	97/98	46333	Res	Ave R-8 and 60th St East	17,945	24,198	42,143
207	97/98	45038	Res	Ave S and 55th St East	19,926	0	19,926
212	98/99	47629	Res	Ave S and 50th St East	15,127	4,294	19,421
213	97/98	46934	Res	Ave S-8 and 45th St East	34,700	46,212	80,912
214	98/99	49058	Res	Ave S and 45th St East	31,179	0	31,179
216	00/01	46925	Res	Division and Ave O-8	32,152	0	32,152
217	05/06	46757	Res	Palmdale Blvd, Ave R, and 65th St East	48,416	50,953	99,369
217-01		Trailer Park	Res	NW Corner of Ave R and 65th St East	0	0	0
217B	05/06	46757	Res	Palmdale Blvd, Ave R, and 65th St East	27,455	16,267	43,722
219	00/01	46910/46911/ 45291	Res	Tierra Subida	15,591	0	15,591
220	97/98	45412	Res	Pear Blossom Hwy and 45th St East	8,014	10,736	18,750
221	04/05	45218-01	Res	Railroad and 30th St East	3,522	122,306	125,828
222	99/00	45217/46193/ 46194	Res	Fairfield and 35th St East	10,838	86,190	97,028
224	97/98	48672	Res	Ave S-8 and 55th St East	2,592	41,695	44,287
233	99/00	52646	Res	Division and Ave O	12,696	0	12,696

District[(1)]	FY Formed	Tract/ Parcel Map	Land Use	General Location	Total Streetscape (SF)	Total On-Site Basin LS (SF)	Total Area (SF)
234	99/00	44826	Res	Ave R-8 and 55th St East	8,588	19,594	28,182
235	00/01	45057	Res	Ave Q and 40th St East	14,266	34,030	48,296
236	01/02	51505	Res	SE Corner of Ave P-8 and 20th St West	9,612	0	9,612
237	01/02	53069	Res	Ave N and 45th St West	12,948	12,075	25,023
238	01/02	47933	Res	Rancho Vista Blvd	20,855	0	20,855
239	02/03	47934	Res	Rancho Vista Blvd	12,051	0	12,051
240	01/02	47935	Res	Rancho Vista Blvd and Ave O-8	46,154	28,455	74,609
241	04/05	53221	Res	NW Corner of 40th St East 300 feet N of R-6	7,981	16,892	24,873
242	02/03	45573	Res	Ave P-4 and 20th St West	3,792	0	3,792
243	01/02	51980	Res	SE Corner of Avenue N and 50th St West	30,949	0	30,949
244	02/03	49016-02, 03	Res	Club Rancho Dr. and 30th St West	4,972	0	4,972
245	02/03	49016-04, 05	Res	SW Corner of Ave N-8 and 30th St West	94,926	0	94,926
246	02/03	49016-08, 09	Res	SE Corner of Ave N-8 and Bolz Ranch Rd	109,486	0	109,486
247	04/05	49016-06	Res	Rancho Vista Golf Course	20,039	0	20,039
248	04/05	49016-07	Res	Bolz Ranch Rd (golf course)	2,970	0	2,970
251	02/03	51989	Res	Ave N and 50th St West	5,536	0	5,536
252	02/03	52142-03	Res	Ave P-8 and 30th St West	24,579	0	24,579
253	02/03	52142-01, -02	Res	NW Corner of Ave P-8 and 25th St West	17,718	0	17,718
254	02/03	46394-01	Res	Rancho Vista Blvd and Ave O-8	34,997	0	34,997
255	02/03	53522	Res	NE Corner of Ave N and 55th St West	42,194	8,030	50,224
256	02/03	46602	Res	SW Corner of Ave N-8 and 55th St West	13,939	37,398	51,337
256-01	05/06	52489/52490/ 54075/53921	Res	NE Corner Ave N-8 and 55th St West	20,011	34,825	54,836
257	04/05	53608	Res	NW Corner of Ave S-12 and 30th St East	24,560	0	24,560
259	03/04	53855, 54806	Res	Ave P-8 and 20th St West	11,182	0	11,182
260	03/04	48014	Res	Ave P-8 and Summerwind	45,876	0	45,876
261	04/05	43689, 43690, 43691	Res	Rancho Vista Blvd and 11th St West	6,965	0	6,965
262	04/05	44893	Res	SE Corner of Ave S and 52nd St East	11,419	0	11,419
263	05/06	46597	Res	SW Corner of Ave S-8 and 40th St East	15,297	17,250	32,547
264	04/05	60053	Res	NW Corner of Ave R and 40th St East	20,872	21,840	42,712
265	04/05	53857	Res	NW Corner of Bolz Ranch Rd and Sawgrass Dr	16,342	0	16,342
266	04/05	54399	Res	NE Corner of Ave P-6 and 25th St West	24,844	15,900	40,744
267	04/05	53199, 54226, & 60745	Res	Avenue R, 60th East to Palmdale Blvd	70,634	51,220	121,854
268	04/05	54058-01, 02, 03, 04, & 05	Res	SE Corner of Ave P-8 and 25th St West	40,129	0	40,129
271	05/06	53869	Res	NE Corner of Ave Q-8 and Tierra Subida	12,129	26,924	39,053
272	04/05	49147-01, 02, & 03	Res	NW Corner of Ave R and 70th St East	19,558	45,797	65,355
272-01	05/06	49147-04, 05, & 06	Res	NW Corner of Ave R and 70th St East	0	0	0
272-02	06/07	63008	Res	NW Corner of Ave R and 70th St East	3,042	3,042	6,084
273	05/06	54339	Res	SE Corner of Ave M and 70th St West	38,624	0	38,624
274	04/05	54383	Res	Turner Dr and 25th St East	40,451	18,700	59,151
275	05/06	060162,46755	Res	Meridith Avenue and Rockie Lane	2,886	5,271	8,157
276	04/05	60128	Res	Rockie Lane, Ave R-8 to Ave S	3,057	12,103	15,160
277	04/05	52200 01 & 02	Res	W of Ave P-12 and 30th St West	394,956	167,158	562,114
278	05/06	060028, 01, & 02	Res	SE corner of Ave R and 70th St East	69,760	52,140	121,900
279	05/06	60462	Res	Bolz Ranch Rd and Homeridge Dr	6,965	0	6,965
280		53920	Res	Fort Tejon Road N of SP RailRoad (50th East)	0	0	0
281	05/06	52921	Res	SW Corner of Ave S and 60th St East	48,080	12,838	60,918
282	05/06	61699	Res	Ave S-2 and Julian Lane	3,220	0	3,220
283	05/06	61770	Res	SE Corner of Avenue S and Hillcrest Drive	8,106	0	8,106
286	05/06	60954	Res	SE Corner of Palmdale Blvd and 50th St East	10,726	22,344	33,070
287	05/06	46356, 52029	Res	NE Corner of Pearblossom and 47th East	30,840	303,660	334,500
288		060008 Ph 1 & 2	Res	SW Corner of Ave S and 62nd St East	0	0	0
289	05/06	61660	Res	NE Corner of Ave Q-13 and 12th St East	3,655	10,664	14,319
290	22/23	54209	Res	NE Corner of Ave R and 35th St East	0	0	0

District[(1)]	FY Formed	Tract/ Parcel Map	Land Use	General Location	Total Streetscape (SF)	Total On-Site Basin LS (SF)	Total Area (SF)
292	05/06	54301	Res	North Side of Ave M-8 between 65th and 70th West	82,547	0	82,547
292-01	06/07	60209	Res	70th and M	34,204	19,494	53,698
292-02		60431			0	0	0
293	05/06	62695	Res	South Side of Ave N-8 west of Entrar Drive	24,490	0	24,490
294	06/07	60789	Res	W side of 40th St East and both sides of Hollowglen DR	3,042	0	3,042
295	06/07	62068	Res	N of Ave S and E or Rockie Lane	10,157	41,628	51,785
296	05/06	62020	Res	North of Ave S and West of Downing Street	16,751	30,337	47,088
297	06/07	61610	Res	South of Palmdale Bl, West of 58th St East	0	0	0
298	06/07	61611/61981	Res	N of Ave S, E of 65th St E	35,987	24,175	60,162
299	05/06	52806	Res	Between 25th St E and 27th St E 500 ' S of Palmdale Bl	16,128	0	16,128
301	06/07	62974	Res	E of 40th St East and S of Ave Q	19,505	13,290	32,795
302	06/07	60926	Res	N or Ave R and W of 40th St East	14,372	0	14,372
304	07/08	53067	Res	S of Palmdale Blvd, W of 55th St E	14,307	14,384	28,691
305		62371			0	0	0
306		53342			0	0	0
309		61941			0	0	0
312	07/08	61045	Res	South of Palmdale Blvd and West of 52nd St East	12,934	12,181	25,115
313	07/08	62213	Res	N of Ave S-4 and W of 42nd St E	7,802	8,673	16,475
314	06/07	51224	Res	South of Spanish Broom Dr between Firethorn Ave and Waltham	17,990	72,836	90,826
315	06/07	60511	Res	S of Avenue R, E of 40th St E	12,128	0	12,128
316	06/07	49215	Res	S of Avenue S-8, W of 42nd St East	1,772	0	1,772
317		61443	Res		0	0	0
318	07/08	51451	Res	Fort Tejon RD and 47th St E south of Ave S and N of the UPRR	38,800	29,000	67,800
319	07/08	62490/66868	Res	Corner of Rancho Vista Blvd & Extension of Tilbury Dr	26,398	48,987	75,385
320	07/08	60431	Res	N of Ave M-8, W of 70th St W	85,614	99,056	184,670
321	14/15	66204	Res	North side of E Ave R-8, bw 57th St E & Segovia Way	1,917	0	1,917
322	14/15	47510	Res	SE corner of Tackstem & Ave R	1,545	0	1,545
324	22/23	73740	Res	SE corner Taintor Road & Division St	7,868	0	7,868
900	04/05	54438, 53888	Res/Comm	Ave S and Bridge Road	614,466	0	614,466
901	06/07	Ritter Ranch	Res	Elizabeth Lake Road	2,560,000	0	2,560,000

(1) The City is not currently maintaining landscaping improvements of Assessment District Nos. 173, 277, 280, 288, 900 and 901. See section 3.2 for additional information.

8. ASSESSMENT ROLL

Assessor's parcel identification, for each lot or parcel subject to the assessment, shall be based on the County Assessor's secured roll data for the applicable year in which this report is prepared and is incorporated herein by reference.

A listing of assessor's parcels subject to the assessments for Fiscal Year 2026/27, along with the assessment amounts, is on file in the office of the City Clerk[16] and incorporated herein by reference. Based on County Assessor's secured roll data, current assessor's parcels, including corrected and/or new assessor's parcels, will be submitted and/or resubmitted to the County Auditor/Controller. The annual assessment amount to be levied and collected for the resubmitted parcel(s) shall be determined in accordance with the method of apportionment and assessment rate approved in this report. Therefore, if a single assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the charge amounts applied to each of the new assessor's parcels shall be recalculated and applied according to the approved method outlined in the method of apportionment and assessment rate rather than a proportionate share of the original assessment amount.

The following table summarizes the Fiscal Year 2026/27 assessment for the Assessment Districts.

[16] *A copy may be retained from the City Engineer.*

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2026/27 Assessment Amount	FY 2026/27 Proposed Assessment Rate Per EDU	FY 2026/27 Maximum Assessment Rate Per EDU (2)
1	75	75.00	$2,479.50	$33.06	$33.06
2	223	223.00	32,928.18	147.66	147.66
5	110	110.00	42,247.70	384.07	384.07
6	19	19.00	4,632.96	243.84	243.84
7	167	167.00	25,088.41	150.23	150.23
9	289	289.00	44,979.96	155.64	155.64
10	176	176.00	8,532.48	48.48	48.48
11	208	208.00	109,846.88	528.11	528.11
12	205	205.00	80,526.05	392.81	392.81
13	130	130.00	3,437.20	26.44	26.44
14	67	67.00	3,986.50	59.50	59.50
15	60	60.00	20,687.40	344.79	344.79
16	45	45.00	25,237.80	560.84	560.84
17	92	92.00	18,020.04	195.87	195.87
19	44	44.00	19,065.64	433.31	433.31
20	136	136.00	30,202.88	222.08	222.08
21	40	40.00	13,704.40	342.61	342.61
22	78	78.00	51,405.12	659.04	659.04
23	142	142.00	27,228.50	191.75	191.75
24	884	884.00	233,826.84	264.51	264.51
24-1	165	165.00	42,264.75	256.15	256.15
24-2	95	95.00	24,334.25	256.15	256.15
24-3	100	100.00	45,226.00	452.26	452.26
24-4	19	19.00	4,977.62	261.98	261.98
24-5	170	170.00	14,028.40	82.52	82.52
24-6	238	238.00	34,371.96	144.42	144.42
25	43	43.00	5,991.19	139.33	139.33
26	87	87.00	10,928.94	125.62	125.62
28	78	78.00	7,471.62	95.79	95.79
29	71	71.00	9,389.04	132.24	132.24
30	36	36.00	13,591.08	377.53	377.53
31	86	86.00	9,287.14	107.99	107.99
32	107	107.00	25,217.76	235.68	235.68
33	167	167.00	39,751.01	238.03	238.03
35	14	14.00	1,188.88	84.92	84.92
36	61	61.00	7,662.82	125.62	125.62
37	47	47.00	4,410.01	93.83	93.83
39	45	45.00	6,627.60	147.28	147.28
40	127	127.00	50,994.31	401.53	401.53
41	299	299.00	44,766.28	149.72	149.72
42	39	39.00	14,638.65	375.35	375.35

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2026/27 Assessment Amount	FY 2026/27 Proposed Assessment Rate Per EDU	FY 2026/27 Maximum Assessment Rate Per EDU (2)
43	172	172.00	34,831.72	202.51	202.51
44	143	143.00	35,701.38	249.66	249.66
46	45	45.00	15,775.65	350.57	350.57
48	39	39.00	2,836.08	72.72	72.72
49	55	55.00	8,606.95	156.49	156.49
51	59	59.00	7,708.94	130.66	130.66
52	127	127.00	31,315.66	246.58	246.58
56	178	178.00	6,602.02	37.09	37.09
58	41	41.00	4,910.16	119.76	119.76
59	179	179.00	18,147.02	101.38	101.38
60	81	81.00	18,341.64	226.44	226.44
61	178	178.00	49,605.04	278.68	278.68
62	16	16.00	9,980.00	623.75	623.75
63	240	240.00	49,116.00	204.65	204.65
64	120	120.00	8,198.40	68.32	68.32
65	320	320.00	34,560.00	108.00	108.00
66	327	327.00	57,656.64	176.32	176.32
67	173	173.00	11,674.04	67.48	67.48
68	100	100.00	25,750.00	257.50	257.50
69	89	89.00	9,415.31	105.79	105.79
70	137	137.00	24,159.95	176.35	176.35
72	219	219.00	45,295.77	206.83	206.83
73	160	160.00	26,800.00	167.50	167.50
75	111	111.00	34,080.33	307.03	307.03
76	84	84.00	9,441.60	112.40	112.40
77	40	40.00	13,006.00	325.15	325.15
78	174	174.00	44,439.60	255.40	255.40
80	6	101.43	18,319.42	180.61	180.61
82	19	19.00	5,628.75	296.25	296.25
83	25	25.00	2,286.50	91.46	91.46
84	69	69.00	21,595.62	312.98	312.98
85	581	581.00	131,561.64	226.44	226.44
86	86	86.00	6,928.16	80.56	80.56
87	318	318.00	53,299.98	167.61	167.61
88	72	72.00	22,885.92	317.86	317.86
89	406	406.00	53,916.80	132.80	132.80
92	40	40.00	10,300.00	257.50	257.50
93	21	21.00	2,036.37	96.97	96.97
94	78	78.00	16,332.42	209.39	209.39
96	88	88.00	5,366.24	60.98	60.98
97	46	46.00	5,181.44	112.64	112.64

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2026/27 Assessment Amount	FY 2026/27 Proposed Assessment Rate Per EDU	FY 2026/27 Maximum Assessment Rate Per EDU (2)
98	225	225.00	27,438.75	121.95	121.95
99	164	164.00	17,851.40	108.85	108.85
100	233	233.00	6,160.52	26.44	26.44
102	168	168.00	11,849.04	70.53	70.53
103	229	229.00	21,487.07	93.83	93.83
105	260	260.00	20,053.80	77.13	77.13
106	14	14.00	8,009.26	572.09	572.09
107	32	32.00	9,450.88	295.34	295.34
109	109	109.00	8,799.57	80.73	80.73
110	121	121.00	11,325.60	93.60	93.60
111	77	77.00	16,932.30	219.90	219.90
112	103	103.00	13,485.79	130.93	130.93
113	83	83.00	9,389.79	113.13	113.13
114	42	42.00	10,150.98	241.69	241.69
115	159	159.00	13,952.25	87.75	87.75
116	33	33.00	4,727.25	143.25	143.25
119	80	80.00	40,759.20	509.49	509.49
120	154	154.00	29,172.22	189.43	189.43
121	48	48.00	14,317.44	298.28	298.28
122	178	178.00	57,741.42	324.39	324.39
123	192	192.00	10,452.48	54.44	54.44
125	113	113.00	11,565.55	102.35	102.35
126	107	107.00	23,529.30	219.90	219.90
127	117	117.00	7,895.16	67.48	67.48
128	413	413.00	127,109.01	307.77	307.77
129	255	255.00	106,046.85	415.87	415.87
131	80	80.00	15,499.20	193.74	193.74
133	285	285.00	45,306.45	158.97	158.97
135	58	58.00	3,913.84	67.48	67.48
136	84	84.00	11,929.68	142.02	142.02
137	207	207.00	27,553.77	133.11	133.11
138	93	93.00	13,697.04	147.28	147.28
139	161	161.00	47,675.32	296.12	296.12
140	121	121.00	9,673.95	79.95	79.95
141	159	159.00	72,887.19	458.41	458.41
143	81	81.00	9,877.14	121.94	121.94
144	90	90.00	9,993.60	111.04	111.04
145	402	402.00	70,864.56	176.28	176.28
146	64	64.00	32,886.40	513.85	513.85
148	115	115.00	4,054.90	35.26	35.26
150	33	33.00	12,749.88	386.36	386.36

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2026/27 Assessment Amount	FY 2026/27 Proposed Assessment Rate Per EDU	FY 2026/27 Maximum Assessment Rate Per EDU (2)
151	91	91.00	12,285.00	135.00	135.00
152	39	115.71	128,152.11	1,107.53	1,107.53
153	100	100.00	24,821.00	248.21	248.21
154	38	25.18	32,884.20	1,306.18	1,306.18
156	81	81.00	13,226.49	163.29	163.29
157	16	16.00	3,385.44	211.59	211.59
159	46	46.00	24,271.90	527.65	527.65
160	112	112.00	30,971.36	276.53	276.53
163	75	75.00	25,148.25	335.31	335.31
165	85	85.00	7,774.10	91.46	91.46
167	21	21.00	777.42	37.02	37.02
168	87	87.00	9,282.03	106.69	106.69
171	36	36.00	5,016.24	139.34	139.34
173	0	0.00	0.00	0.00	N/A
175	32	32.00	9,196.48	287.39	287.39
176	38	38.00	9,017.78	237.31	237.31
177	56	56.00	22,923.04	409.34	409.34
178	150	150.00	59,767.50	398.45	398.45
179	394	394.00	90,931.26	230.79	230.79
180	74	74.00	35,798.98	483.77	483.77
182	60	60.00	20,748.00	345.80	345.80
183	42	42.00	14,631.12	348.36	348.36
184	174	174.00	48,947.94	281.31	281.31
188	82	82.00	10,889.60	132.80	132.80
189	38	38.00	9,928.26	261.27	261.27
190	68	68.00	10,068.08	148.06	148.06
191	84	84.00	8,777.16	104.49	104.49
192	71	71.00	7,552.98	106.38	106.38
193	151	151.00	39,451.77	261.27	261.27
195	141	179.78	40,967.93	227.88	227.88
197	43	43.00	28,890.84	671.88	671.88
199	118	118.00	4,589.02	38.89	38.89
201	82	82.00	13,652.18	166.49	166.49
202	21	21.00	8,606.85	409.85	409.85
203	56	56.00	12,558.00	224.25	224.25
204	83	83.00	11,022.40	132.80	132.80
206	80	80.00	16,200.80	202.51	202.51
207	194	194.00	18,583.26	95.79	95.79
212	69	69.00	24,241.77	351.33	351.33
213	228	228.00	38,718.96	169.82	169.82
214	49	49.00	14,755.86	301.14	301.14

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2026/27 Assessment Amount	FY 2026/27 Proposed Assessment Rate Per EDU	FY 2026/27 Maximum Assessment Rate Per EDU (2)
216	223	223.00	40,554.78	181.86	181.86
217	388	388.00	126,654.84	326.43	326.43
217-01	0	0.00	0.00	0.00	N/A
219	91	91.00	14,791.14	162.54	162.54
220	126	126.00	11,245.50	89.25	89.25
221	92	92.00	83,789.00	910.75	910.75
222	197	197.00	87,259.18	442.94	442.94
224	78	78.00	5,604.30	71.85	71.85
233	31	31.00	5,889.07	189.97	189.97
234	48	48.00	4,492.80	93.60	93.60
235	148	148.00	38,679.80	261.35	261.35
236	72	72.00	8,179.20	113.60	113.60
237	23	23.00	21,621.61	940.07	940.07
238	84	84.00	30,323.16	360.99	360.99
239	95	95.00	17,929.35	188.73	188.73
240	132	132.00	70,713.72	535.71	535.71
241	85	85.00	70,092.70	824.62	824.62
242	45	45.00	2,143.35	47.63	47.63
243	40	40.00	44,776.80	1,119.42	1,119.42
244	104	104.00	72,956.00	701.50	701.50
245	118	118.00	82,777.00	701.50	701.50
246	158	158.00	110,837.00	701.50	701.50
247	51	51.00	35,793.84	701.84	701.84
248	49	49.00	34,390.16	701.84	701.84
251	19	19.00	1,513.73	79.67	79.67
252	156	156.00	25,440.48	163.08	163.08
253	161	161.00	23,354.66	145.06	145.06
254	49	49.00	27,565.93	562.57	562.57
255	41	41.00	44,621.53	1,088.33	1,088.33
256	99	99.00	45,870.66	463.34	463.34
256-01	103	103.00	51,118.90	496.30	496.30
257	78	78.00	55,851.12	716.04	716.04
259	72	72.00	13,448.16	186.78	186.78
260	86	86.00	58,910.00	685.00	685.00
261	144	144.00	12,136.32	84.28	84.28
262	122	122.00	24,590.32	201.56	201.56
263	64	64.00	39,190.40	612.35	612.35
264	108	108.00	60,955.20	564.40	564.40
265	64	64.00	41,516.80	648.70	648.70
266	79	79.00	62,521.39	791.41	791.41
267	255	255.00	180,838.35	709.17	709.17

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2026/27 Assessment Amount	FY 2026/27 Proposed Assessment Rate Per EDU	FY 2026/27 Maximum Assessment Rate Per EDU (2)
268	390	389.00	152,542.46	392.14	392.14
271	67	67.00	38,183.97	569.91	569.91
272	170	170.00	89,952.10	529.13	529.13
272-01	170	170.00	89,999.70	529.41	529.41
272-02	41	41.00	21,696.38	529.18	529.18
273	83	83.00	75,232.86	906.42	906.42
274	62	62.00	61,326.06	989.13	989.13
275	18	33.00	28,346.67	858.99	858.99
276	38	38.00	26,251.92	690.84	690.84
277	0	0.00	0.00	0.00	N/A
278	372	372.00	279,881.64	752.37	752.37
279	41	41.00	21,344.19	520.59	520.59
280	0	0.00	0.00	0.00	N/A
281	168	168.00	77,757.12	462.84	462.84
282	38	38.00	8,516.18	224.11	224.11
283	33	33.00	7,628.61	231.17	231.17
286	78	78.00	53,820.00	690.00	690.00
287	198	198.00	95,388.48	481.76	481.76
288	0	0.00	0.00	0.00	N/A
289	23	23.00	12,353.53	537.11	537.11
290	95	190.00	96,273.00	506.70	506.70
292	180	180.00	152,875.80	849.31	849.31
292-01	40	40.00	33,972.40	849.31	849.31
292-02	0	0.00	0.00	0.00	N/A
293	42	42.00	31,266.90	744.45	744.45
294	16	16.00	9,183.36	573.96	573.96
295	50	50.00	38,874.00	777.48	777.48
296	66	66.00	49,589.76	751.36	751.36
297	5	0.00	0.00	0.00	N/A
298	60	60.00	76,454.40	1,274.24	1,408.42
299	204	204.00	47,593.20	233.30	233.30
301	62	62.00	54,323.16	876.18	876.18
302	1	0.00	0.00	0.00	N/A
304	66	66.00	37,420.02	566.97	566.97
305	0	0.00	0.00	0.00	N/A
306	0	0.00	0.00	0.00	N/A
309	0	0.00	0.00	0.00	N/A
312	1	0.00	0.00	0.00	N/A
313	2	0.00	0.00	0.00	N/A
314	117	117.00	88,391.16	755.48	755.48
315	28	28.00	22,982.68	820.81	820.81

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2026/27 Assessment Amount	FY 2026/27 Proposed Assessment Rate Per EDU	FY 2026/27 Maximum Assessment Rate Per EDU (2)
316	8	0.00	0.00	0.00	N/A
317	0	0.00	0.00	0.00	N/A
318	12	0.00	0.00	0.00	N/A
319	12	0.00	0.00	0.00	N/A
320	52	0.00	0.00	0.00	N/A
321	2	0.00	0.00	0.00	N/A
322	0	0.00	0.00	0.00	N/A
323	0	0.00	0.00	0.00	N/A
324	56	112.00	14,277.76	127.48	127.48
325	0	0.00	0.00	0.00	N/A
326	0	0.00	0.00	0.00	N/A
900	1,417	0.00	0.00	0.00	N/A
901	35	0.00	0.00	0.00	N/A
Totals	**28,790**	**27,606.10**	**$7,871,045.79**		

(1) Includes parcels levied and active parcels not yet subject to the assessment.

(2) Rate for Assessment District Nos. 290 & 324 is per Benefit Unit, as defined in the annexation Engineer's Report for each district.

CITY OF PALMDALE

Fiscal Year 2026/27 Engineer's Report For:

Park Maintenance and Recreation Improvement District

May 2026

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1. ENGINEER'S LETTER

WHEREAS, the City Council of the City of Palmdale (the "City"), State of California, under the Landscaping and Lighting Act of 1972 (the "Act"), directed NBS to prepare and file the Annual Engineer's Report for the Park Maintenance and Recreation Improvement District (the "District") for Fiscal Year 2026/27, in accordance with Article 4 of Chapter 1 of the Act and Article XIII D of the California Constitution. The Engineer's Report presents the plans[1] and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the administration, maintenance, operations and servicing of the improvements for Fiscal Year 2026/27, the diagram for the District, showing the area and properties to be assessed, and assessing the net amount upon the assessable lots and/or parcels within the District in proportion to the special benefit received.

NOW THEREFORE, the assessments as detailed in this Engineer's Report and as summarized in the table below are made to cover the portion of the estimated costs of maintenance, operation and servicing of said improvements to be paid by the assessable real property within the District in proportion to the special benefit received.

Zone of Benefit	Parcels(1)	SFE Units(2)	FY 2026/27 Proposed Assessment Amount	FY 2026/27 Proposed Assessment Rate Per SFE	FY 2026/27 Maximum Assessment Rate Per SFE
Zone A	43,118	49,487.65	$3,242,414.93	$65.52	$65.52
Zone B	360	132.59	4,341.56	32.76	32.76
Zone C	2,238	1,970.41	129,101.09	65.52	65.52
Totals:	**45,716**	**51,590.65**	**$3,375,857.58**		

(1) Includes only parcels levied.
(2) Single Family Equivalent Unit. See "Method of Assessment" for explanation of SFE apportionment.

I, the undersigned, respectfully submit this Engineer's Report and, to the best of my knowledge, information and belief, the Engineer's Report, Assessments, and the Assessment Diagram herein have been prepared, computed and levied in accordance with the assessment methodology adopted, approved and ordered by the City Council of the City of Palmdale at the time of District formation.

_____

John G. Egan, P. E.
Assessment Engineer

[1] *Detailed plans are included by reference and on file in the office of the City Engineer.*

2. INTRODUCTION

2.1 Background

In June and July of 2002, the City conducted a city-wide assessment ballot proceeding pursuant to the requirements of Article XIII D of the California Constitution ("The Taxpayer's Right to Vote on Taxes Act") and the Landscape and Lighting Act of 1972 for a proposed City of Palmdale Park Maintenance and Recreation Improvement Assessment District to fund improvements to parks and recreational facilities in the City. During this ballot proceeding, property owners in the City were provided with a notice and ballot for a proposed benefit assessment and a 45-day period was provided for balloting. A public hearing to conclude the balloting period was conducted on July 24, 2002.

After the ballots were tabulated, it was determined that 55.9% of the weighted ballots returned were in support of the assessment. Since the assessment ballots submitted in opposition to the proposed assessments did not exceed the assessment ballots submitted in favor of the assessments (with each ballot weighted by the proportional financial obligation of the property for which ballot was submitted), the City gained the authority to approve the levy of the assessments for Fiscal Year 2002/03 and to continue to levy them in future years. The authority granted by the ballot proceeding includes an annual increase in the maximum authorized assessment rate equal to the annual change in the Consumer Price Index (CPI) for the Los Angeles Area, not to exceed 3% per year. In the event the annual change in the CPI exceeds 3%, any percentage change in excess of 3% can be cumulatively reserved for years in which the CPI change is less than 3%. The initial assessment rate approved in 2002 was $36.00 per single family equivalent benefit unit, plus an annual increase not to exceed 3% according to the CPI for the Los Angeles area.

Due to their greater distance from the public facilities and the new parks and recreation facilities to be installed, maintained, and serviced by the District, areas in the City farthest east and west were deemed to receive less benefit relative to other areas in the City (Zone A) and were assigned 50% of the assessment rate. These areas of reduced proximity were named Zone of Benefit B or Zone B.

As the City has grown and built additional parks, public and recreational facilities, the western area of the City, generally described as the City incorporated areas west of the California Aqueduct, is benefiting from additional parks and recreation areas that can be funded and maintained in part by the District. For Fiscal Year 2006/07 assessments, properties in this western area were classified as being within Zone of Benefit C or Zone C. Since the proximity to parks and recreation facilities in Zone C is generally equivalent to properties within Zone A, the assessments per single family equivalent unit for properties in Zone C were proposed to increase, matching that rate assessed to parcels in Zone A.

In order to allow property owners in Zone C to ultimately decide whether they were in support of the increased assessments in their Zone of Benefit, in 2006, an assessment ballot proceeding was conducted for property owners in Zone C. After the ballots were mailed to property owners in Zone C, a minimum 45-day time period was provided for the return of the assessment ballots. Following this 45-day time period, a public hearing was held on July 5, 2006 for the purpose of allowing public testimony regarding the proposed increased assessments.

At the public hearing the ballots were tabulated and it was determined that 86.18% of the returned ballots from Zone C (weighted by the proportional financial obligation of the property for which ballots are

submitted) were in favor of the proposed increased assessments to match the assessment rate of Zone A. Therefore, the City Council took action, by resolution number CC 2006-191, to approve the levy of the increased assessments in Zone C for Fiscal Year 2006/07.

2.2 Process for Annual Assessment

In each subsequent year for which the assessment will be continued, and as required by the procedures specified in the 1972 Act, an Engineer's Report must be prepared on an annual basis which contains a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the District.

The City Council must also annually adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the assessment district for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the assessment district by its distinctive designation and indicate the general location of the district.
- Refers to the report of the engineer, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the district.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment allowed, the City Clerk shall give notice of the public hearing by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including changes in the improvements, any zones within the assessment district, and the proposed diagram or the proposed assessment. If the assessment to be levied exceeds the maximum assessment allowed, the City must comply with the procedures specified in Article XIII D and Proposition 218.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment. If confirmed, the assessments would be submitted to the County Auditor Controller for inclusion on the property tax roll.

2.3 Legislative Context

In 1996, California Voters adopted Proposition 218, the "Right to Vote on Taxes Act" which added Articles XIII C and XIII D to the California Constitution. Article XIII D imposes certain substantive and procedural requirements on any agency that wishes to levy special assessments.

Article XIII D imposes four basic substantive requirements on assessments[2]:

- All parcels that will have a special benefit conferred upon them and upon which an assessment will be imposed must be identified;
- The general benefits must be distinguished from the special benefits conferred on the parcels;
- The proportionate special benefit derived by each parcel must be determined in relationship to the entirety of the capital improvement, the maintenance and operation expenses of the public improvement, or the cost of the property related service being provided; and
- The amount assessed to a parcel must not exceed the reasonable cost of the proportional special benefit conferred on that parcel and does not include any costs attributable to the general benefit.

Since the initial passage of Proposition 218, several court rulings have helped provide context and direction on the practical implementation procedures and requirements for levying assessments. Several of the key concepts from these rulings are summarized below.

GENERAL BENEFIT

Article XIII D requires an agency to separate the general benefits from the special benefits conferred because only special benefits are assessable.

The Court of Appeal in *Golden Hills Neighborhood Assn., Inc. v. City of San Diego* (2011) (*Golden Hills*)[3] clarified this concept by stating, "*Separation and quantification of general and special benefits must be accomplished by apportioning the cost of a service or improvement between the two and assessing property owners only for the portion of the cost representing special benefits*."

The Court of Appeal in *Beutz v. County of Riverside* (2010) (*Beutz*)[4] quoted from the Legislative Analyst's Office pamphlet titled "Understanding Proposition 218" which states an agency must, "*estimate the amount of special benefit landowners would receive from the project or service, as well as the amount of 'general benefit.' This step is needed because Proposition 218 allows local government to recoup from assessments only the proportionate share of cost to provide the special benefit.*"

The Court in *Beutz* furthered this idea stating, "*Separating the general from the special benefits of a public improvement project and estimating the quantity of each in relation to the other is essential if an assessment is to be limited to the special benefits*."

The Court of Appeal in *Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority* (2008) (*SVTA*)[5] clarified that general benefits are not restricted to benefits conferred only on persons and property outside the assessment district but can include benefits both conferred on real

[2] *California Constitution Article XIII D Section 4.*
[3] *Golden Hill Neighborhood Assn. v. City of San Diego CA4/1, D062203 (Cal. Ct. App. 2013)*
[4] *Beutz v. County of Riverside, 109 Cal. Rptr. 3d 851 (Cal. Ct. App. 2010)*
[5] *Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority, 44 Cal. 4th 431 (2008).*

property located in the district or to the public at large. The "public at large" includes all members of the public, including those who live, work, and shop within the district, and not simply transient visitors.

BENEFIT-BASED NOT COST-BASED

In *Bonander v. Town of Tiburon* (2009) (*Tiburon)*[6], the Court of Appeal clarified the idea that assessments must be apportioned based upon benefit rather than cost. The Court stated, "*Proportionate special benefit is the basis upon which a project's total assessable costs are apportioned among parcels within an assessment district.*"

The assessment on a particular property cannot be based on the relative cost of the improvements, but rather the special benefit conferred on such property. The Court in *Tiburon* also stated, "*an assessment represents the entirety of the cost of the improvement or property-related service, less any amount attributable to general benefits (which may not be assessed), allocated to individual properties in proportion to the relative special benefit conferred on the property*."

PUBLIC PROPERTY

Section 4, Subdivision (a) of Article XIII D states, in part, "*Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.*" Historically there had been differing opinions about whether this requirement that publicly owned property should not be exempt actually meant those properties must be assessed.

The Court of Appeal in *Manteca Unified School District v. Reclamation District No. 17 et al* (2017) *(Manteca)*[7] clarified this issue by stating, *"section 4, subdivision (a) of article XIII D of the California Constitution unambiguously conditions any continuing benefit assessment exemption on a showing by clear and convincing evidence of no special benefit.*"

IMPRECISION

The Court in *Tiburon* acknowledged the difficulty of trying to precisely assign and measure special benefit, stating, "*Any attempt to classify special benefits conferred on particular properties and to assign relative weights to those benefits will necessarily involve some degree of imprecision.*"

The Court in *Tiburon* went on to say that a formula assigning equal weight to different special benefits *"may be a legally justifiable approach to measuring and apportioning special benefits,* [but] *it is not necessarily the only valid approach. Whichever approach is taken to measuring and apportioning special benefits, however, it must be both defensible and consistently applied*."

[6] *Bonander v. Town of Tiburon, 147 Cal. App. 4th 1116 (Cal. Ct. App. 2007)*
[7] *Manteca Unified School District v. Reclamation District No. 17 et al, C077906 (Cal. Ct. App. 2017)*

3. PLANS AND SPECIFICATIONS

The City maintains park and recreational facilities in locations throughout its boundaries, which contain over 48,000 parcels. The District provides funding for the installation, maintenance, and servicing of parks and recreation facilities within the City, including, but not limited to the City's current parks and recreation facilities:

- Poncitlán Square (4.00 Acres), 38315 9th St. East
- Tejon Park Barrel Springs Equestrian Arena (20.00 Acres), East of Sierra Highway / South of Barrel Springs Road
- Pelona Vista Park (73.00 Acres), 37800 Tierra Subida Avenue
- Manzanita Heights Park (5.00 Acres), 431 Mesa Verde Street
- Arnie Quinones Park (2.50 Acres), 41003 50th Street West
- Desert Sands Park (20.00 Acres), 39117 3rd Street East
- Joe Davies Heritage Airpark at Palmdale Plant 42 (20.00 Acres), 2001 East Avenue P
- William J. McAdam Park & Pool (20.00 Acres), 38115 30th Street East
- Domenic Massari Park (40.00 Acres), 37716 55th Street East
- Sam Yellen Park (24.93 acres), Phase 1 completed (12.00 acres), Avenue S between 47th East and 55th Street East
- Joshua Hills Park (3.64 Acres), 3110 Fairfield Avenue
- Palmdale Playhouse (2,700 square feet), 38334 10th Street East
- Melville J. Courson Park (7.50 Acres), 38226 10th Street East (under construction by developer)
- Legacy Commons (new Palmdale Senior Center opened 2010) (14,000 square feet), 930 East Avenue Q-9
- Palmdale Senior Center Park (1.00 acre) park site between 9th Street East & 10th Street East and Q-9 & Q-10
- Dry Town Waterpark (7.00 acres), at Palmdale Oasis Park, 3850-B East Avenue S
- Palmdale Oasis Recreation Center (17,500 square feet), 3850-A East Avenue S
- Palmdale Oasis Park (33.00 acres), southwest corner of Avenue S and 40th Street East, 3850-A E. Avenue S
- Competition Swimming Pool at Palmdale Oasis Park, 3850-C East Avenue S
- Marie Kerr Park (57.00 Acres), 39700 30th Street West & 2723 Rancho Vista Boulevard
- Palmdale Amphitheater at Marie Kerr Park, 2723 Rancho Vista Boulevard
- Best of the West Softball Complex, at Marie Kerr Park, 2723-F Rancho Vista Boulevard
- Competition Swimming Pool at Marie Kerr Park, 2723 Rancho Vista Boulevard
- Marie Kerr Recreation Center, 2723-A Rancho Vista Boulevard
- Lot adjacent to Amphitheatre/Marie Kerr Park (20.00 Acres), (not developed, currently used for overflow parking), 2723 Rancho Vista Boulevard
- Dr. Robert C. St. Clair Parkway (8.72 Acres), Sierra Highway
- Demonstration Garden (0.76 Acres), NEC of Palmdale Boulevard & Sierra Highway
- Foothill Park (12.33 Acres), 2525 The Groves

- Anaverde Hills Park (6.42 Acres), 2820 Greenbrier StreetLarry Chimbole Cultural Center (19,300 square feet), 38350 Sierra Highway
- Rancho Vista Neighborhood Park (5.00 Acres), Bolz Ranch / Town Center Road
- Palmenthol History Park (16.30 Acres), Avenue S & 20th Street East (not developed)
- A.C. Warnack Nature Park (131.27 Acres), East of Godde Hill & South of the California Aqueduct (not developed)
- Amorgosa Creek Trail (50 acres) 25th Street West at Elizabeth Lake Road
- Joshua Ranch Trail (7.3 acres) Joshua Ranch Road

3.1 Description of Improvements and Services

The assessments shall also provide funding for the installation, maintenance, and servicing of new parks and recreation facilities, including, but not limited to new neighborhood and community parks, family aquatics facility, covered swimming pools, additional recreation centers, public amphitheater, additional sports fields, improvements to park safety including enhanced lighting, replacement of antiquated playground equipment, additional park maintenance services, acquisition of lands for parks and recreation uses, and expansion of existing parks and recreation areas.

The work and improvements (the "improvements") proposed to be undertaken by the District, and the cost thereof paid from the levy of the annual assessment, provide special benefit to assessor parcels within the District as defined in the Method of Assessment herein. In addition to the definitions provided by the Act the improvements are generally described as follows:

Installation, maintenance and servicing of public recreational facilities and improvements, including, but not limited to, turf and play areas, park grounds and facilities, playground equipment, hard court surfaces, amphitheaters, tennis courts, gymnasiums, senior centers, recreation centers, aquatic parks, running tracks, walking paths, sports fields, basketball courts, swimming pools, landscape corridors, open space, trails, other recreational facilities, ground cover, shrubs and trees, irrigation and sprinkler systems, landscaping, drainage systems, lighting, fencing, entry monuments, graffiti removal and repainting, and labor, materials, supplies, utilities, equipment, and any debt service on bonds or other indebtedness issued for the improvements as applicable, at each of the locations owned, operated or maintained by the City. Plans and specifications for these improvements are filed with the Director of Parks and Recreation of the City and are incorporated herein by reference.

As applied herein, "Installation" means the construction of recreational improvements, including, but not limited to, land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks and drainage, lights, and/or the construction of playground equipment, play courts, recreational facilities and public restrooms.

"Maintenance" means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of said improvements, including repair, removal, or replacement of all or any part of any improvement; providing for the life, growth, health and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; and cleaning, sandblasting and painting of walls and other improvements to remove or cover graffiti.

"Servicing" means the furnishing of electric current or energy for the operation or lighting of any improvements, and the furnishing of water for irrigation of any landscaping or the maintenance of any other improvements.

Incidental expenses include all of the following: (a) The costs of preparation of the report, including plans, specifications, estimates, diagram, and assessment; (b) the costs of printing, advertising, and the giving of published, posted, and mailed notices; (c) compensation payable to the County for collection of assessments; (d) compensation of any engineer or attorney employed to render services in proceedings pursuant to this part; (e) any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements; (f) any expenses incidental to the issuance of bonds or notes pursuant to Streets & Highways Code Section 22662.5; and (g) costs associated with any elections held for the approval of a new or increased assessment (Streets & Highways Code Section 22526). The assessment proceeds will be exclusively used for improvements within the District plus incidental expenses. Reference is made to the plans and specifications, including specific expenditure and improvement plans by park/recreation site, which are on file with the City.

4. ESTIMATE OF COSTS

The estimate of costs provided in this Engineer's Report is for Fiscal Year 2026/27 and is derived from a multi-year, City-wide parks and recreation improvement plan that includes significant new recreation facilities such as neighborhood and community parks, a family aquatics center, two covered year-round swimming pools, two recreation centers, a public amphitheater, a multi-field softball complex, improvements to park safety including enhanced lighting, additional walkways and trails, replacement of antiquated playground equipment, and enhanced park maintenance services.

The estimated costs of maintenance and servicing the improvements as described in the Plans and Specifications are summarized below.

Park Maintenance and Recreation Improvement District Budget	
Description	**Proposed FY 2026/27 Costs**
Installation, Maintenance & Servicing Costs [1]	
Maintenance & Operation of Vision Facilities	$2,557,300.00
Maintenance of Parks & Recreation Facilities [2]	4,575,247.95
Totals for Installation, Maintenance & Servicing	**$7,132,547.95**
Less: City Contribution [3]	**($2,853,019.18)**
Net Cost of Installation, Maintenance & Operation	**$4,279,528.77**
Incidental Costs	
Collection and Administration	$30,540.00
Totals for Incidentals	**$30,540.00**
Less: Fund Balance Contribution	**($934,211.19)**
Fiscal Year 2026/27 Net Amount to be Assessed [4]	**$3,375,857.58**

Budget Allocation to Property [5]				
Zone of Benefit	**Parcels** [6]	**SFE Units** [7]	**FY 2026/27 Maximum Assessment Rate Per SFE**	**FY 2026/27 Amount to be Assessed**
Zone A	43,118	49,487.65	$65.52	$3,242,414.93
Zone B	360	132.59	32.76	4,341.56
Zone C	2,238	1,970.41	65.52	129,101.09
Totals:	**45,716**	**51,590.65**		**$3,375,857.58**

Notes to Estimate of Costs:

(1) Additional details regarding budgeted improvements and future projects are as follows:

- Rancho Vista Park – park site with open space, restrooms, playground, and parking lot.
- Vacant lot next to Amphitheater – design for park and ride.
- Arnie Quinones Park – design of future additional features including restroom, paved parking lot, lighting, tot lot, and pathways.
- Marie Kerr Park Upgrades – tot lot upgrades.
- Dry Town Water Park Upgrades – refurbishment of three existing slides, tower, and Little Miner's camp.
- Dry Town Lazy River Replastering – replastering of lazy river, construction was expected to begin April 2020.
- Palmdale Oasis Park Upgrades – design and possible construction of play area, playground equipment, restroom facility, landscaping and irrigation of fields, additional parking.
- Domenic Massari Upgrades – sidewalk improvements throughout the park construction was expected to begin summer 2020, three new basketball courts with covers and upgrades to existing basketball court.
- Sam Yellen Park – design of Phase 2 upgrades.
- McAdam Park Renovations – upgrades to existing restroom facility.
- Sports Field Renovation – field upgrades and renovations as needed at various park sites.

(2) The item, “Maintenance of Park and Recreation Facilities,” would provide funding for enhanced maintenance of all parks and recreation facilities on a daily basis, seven days per week. Services would include mowing turf, trimming and caring for landscaping, fertilization and aeration of grounds and playfields, routine maintenance and safety inspections, painting, replacing/repairing broken or damaged equipment, trash removal and cleanup, irrigation and irrigation system maintenance, and other services as needed.

(3) As determined in the following section, at least 40% of the $7,132,547.95 total cost of Park Improvements, Installation, Maintenance and Servicing, must be funded from sources other than the assessments, to cover any general benefits from the improvements. Therefore, $2,853,019.18 or 40% of the total for Installation, Maintenance and Servicing is for general benefits that cannot be assessed to property owners in the District. The additional amount contributed is the City’s contribution in excess of the estimated general benefits.

(4) Includes rounding.

(5) The Act stipulates that proceeds from the assessments must be deposited into a special fund that has been set up for the revenues and expenditures of the District. Moreover, funds raised by the assessment shall be used only for the purposes stated within this Engineer’s Report. Any balance remaining at the end of the fiscal year, July 1, must be carried over to the next fiscal year. The City may also establish a reserve fund for contingencies and special projects as well as a capital improvement fund for accumulating funds for larger capital improvement projects or capital renovation needs. Any remaining unexpended balance would either be placed in the reserve fund, the capital improvement fund, or would be used to reduce future years' Assessments.

(6) Includes only parcels levied.

(7) Single Family Equivalent Unit. See "Method of Assessment" for explanation of SFE apportionment.

5. METHOD OF APPORTIONMENT

The following section includes an explanation of the benefits derived from the improvements to park and recreation facilities and improvements throughout the City, as well as a description of the assessment methodology used to apportion the total assessment to properties within the District. ***Previous annual Engineer's Reports were prepared by a different engineer of record and specific language from the prior year Engineer's Report***[8] ***has been referenced to describe the Method of Apportionment within the following section of this report.*** [9]

The District consists of all assessor parcels within the boundaries of the City. The method used for apportioning the assessment is based upon the proportional special benefits conferred to the properties over and above the general benefits conferred to real property in the District or to the public at large. Special benefit is calculated for each parcel in the District using the following process:

1. Identification of all benefit factors derived from the improvements;
2. Calculation of the proportion of these benefits that are general;
3. Determination of the relative special benefit within different areas within the District;
4. Determination of the relative special benefit per property type; and
5. Calculation of the specific assessment for each individual parcel based upon special vs. general benefit; location, property type, property characteristics, improvements on property and other supporting attributes.

5.1 Discussion of Benefit

In summary, the assessments can only be levied based on the special benefit to property. Any and all general benefit, including benefit that is indirect or derivative, must be funded from another source. This special benefit is received by property over and above any general benefits from the improvements. With reference to the requirements for assessments, Section 22573 of the Act states:

> *"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."*

Proposition 218, as codified in Article XIII D of the California Constitution, has confirmed that assessments must be based on the special benefit to property and that the value of the special benefits must reasonably exceed the cost of the assessment:

> *"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."*

[8] *Annual Engineer's Report, City of Palmdale, Park Maintenance and Recreation Improvement District, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020 ("Prior Engineer's Report").*

[9] *Method of Apportionment and subsections as detailed in the Annual Engineer's Report, City of Palmdale, Park Maintenance and Recreation Improvement District, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

Since assessments are levied on the basis of special benefit, they are not a tax and are not governed by Article XIII A of the California Constitution.

The *SVTA* decision also clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel, and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits. The *SVTA* decision also provides specific guidance that park improvements are a direct advantage and special benefit to property that is proximate to a park that is improved by an assessment:

> *The characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g. proximity to a park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g. general enhancement of the district's property values).*

Finally, Proposition 218 twice uses the phrase "over and above" general benefits in describing special benefit (Art. XIIID, sections 2(i) & 4(f)). The *SVTA* decision further clarifies that special benefits must provide a direct advantage to benefiting property and that proximity to a park is an example of a special benefit.

5.2 Benefit Factors

The improvements are expected to confer certain special benefits to parcels within the District. Pursuant to the Prior Engineer's Report, the special benefit conferred to parcels is more fully described below:

EXTENSION OF A PROPERTY'S OUTDOOR AREAS AND GREEN SPACES FOR PROPERTIES WITHIN CLOSE PROXIMITY TO THE IMPROVEMENTS

In large part, because it is cost prohibitive to provide large open land areas on property in the District, the residential, commercial and other benefiting properties in the District do not have large outdoor areas and green spaces. The parks in the District provide these larger outdoor areas that serve as an effective extension of the land area for proximate properties because the improvements are uniquely proximate and accessible to property in close proximity to the improvements. The improvements, therefore, provide an important, valuable and desirable extension of usable land area for the direct advantage and special benefit of properties with good and close proximity to the improvements.

According to the industry-standard guidelines established by the National Park and Recreation Association (the "NPRA"), neighborhood parks in urban areas have a service area radius of generally one-half mile and community parks have a service area radius of approximately two miles. The service radii for neighborhood parks and neighborhood green spaces were specifically established to give all properties within these service radii close proximity and easy walking access to such public land areas. Likewise, community parks, with their large size, have a somewhat larger service area. Since proximate and accessible parks serve as an extension of the usable land area for property in the service radii and since the service radii was specifically designed to provide close proximity and access, the parcels within this service area clearly receive a direct advantage and special benefit from the improvements - and this advantage is not received by other properties or the public at large.

An analysis of the service radii for the improvements finds that all properties in the District enjoy the distinct and direct advantage of being close and proximate to parks within the District. The benefiting properties in the District therefore uniquely and specially benefit from the improvements.

PROXIMITY TO IMPROVED PARKS AND RECREATIONAL FACILITIES

Only the specific properties within close proximity to the improvements are included in the District. Therefore, property in the District enjoys unique and valuable proximity and access to the improvements that the public at large and property outside the District do not share.

In absence of the assessments, the improvements would not be provided and the parks and recreation areas in the District would be degraded due to insufficient funding for maintenance, upkeep and repair. Therefore, the assessments provide improvements that are over and above what otherwise would be provided. Improvements that are over and above what otherwise would be provided do not by themselves translate into special benefits but when combined with the unique proximity and access enjoyed by parcels in the District, they provide a direct advantage and special benefit to property in the District.

ACCESS TO IMPROVED PARKS, OPEN SPACE AND RECREATIONAL AREAS

Since the parcels in the District are nearly the only parcels that enjoy close access to the improvements, they directly benefit from the unique close access to improved parks, open space and recreation areas that are provided by the assessments. This is a direct advantage and special benefit to property in the District.

IMPROVED VIEWS

The District, by maintaining the landscaping at its park, recreation and open space facilities provides improved views to properties with direct line-of-sight as well as other local properties which benefit from improved views when property is accessed. Therefore, the improved and protected views provided by the assessments are another direct and tangible advantage that is uniquely conferred upon property in the District.

5.3 Benefit Finding

In summary, real property located within the boundaries of the District distinctly and directly benefits from closer proximity, access and views of improved parks, recreation facilities, open space, landscaped corridors, greenbelts, trail systems and other public resources funded by the assessments. The improvements are specifically designed to serve local properties in the District, not other properties or the public at large. The public at large and other properties outside the District receive only limited benefits from the improvements because they do not have proximity, good access or views of the improvements. These are special benefits to property in the District in much the same way that sewer and water facilities, sidewalks and paved streets enhance the utility and desirability of property and make them more functional to use, safer and easier to access.

5.4 General Versus Special Benefit

Article XIII C of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to “separate the general benefits from the special benefits conferred on a parcel.” The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. The assessment can fund special benefits but

cannot fund general benefits. Accordingly, a separate estimate of the special and general benefit is given in this section. In other words:

Total Benefit	=	General Benefit	+	Special Benefit

There is no widely-accepted or statutory formula for general benefit. General benefits are benefits from improvements or services that are not special in nature, are not "particular and distinct" and are not "over and above" benefits received by other properties. *SVTA* provides some clarification by indicating that general benefits provide "an indirect, derivative advantage" and are not necessarily proximate to the improvements.

The starting point for evaluating general and special benefits is the current, baseline level of service. The assessment will fund Improvements "over and above" this general, baseline level and the general benefits estimated in this section are over and above the baseline. A formula to estimate the general benefit is listed below:

General Benefit	=	Benefit to Real Property Outside the District	+	Benefit to Real Property Inside the District that is Indirect and Derivative	+	Benefit to the Public at Large

Special benefit, on the other hand, is defined in the California Constitution as "a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large." The *SVTA* decision indicates that a special benefit is conferred to a property if it "receives a direct advantage from the improvement (e.g., proximity to a park)." In this assessment, as noted, properties in the District have close and unique proximity, views and access to the improvements and uniquely improved desirability from the improvements and other properties and the public at large do not receive significant benefits because they do not have proximity, access or views of the improvements. Therefore, the overwhelming proportion of the benefits conferred to property is special and is only minimally received by property outside the District or the public at large.

5.5 Calculating General Benefit

Pursuant to information detailed in the Prior Engineer's Report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

BENEFIT TO PROPERTY OUTSIDE THE IMPROVEMENT DISTRICT

Properties within the District receive almost all of the benefits from the improvements because properties in the District enjoy unique close proximity and access to the improvements that is not enjoyed by other properties or the public at large. However, certain properties within the proximity/access radius of the improvements, but outside of the boundaries of the District, may receive some benefit from the improvements. Since this benefit is conferred to properties outside the District boundaries, it contributes to the overall general benefit calculation and will not be funded by the assessments.

The properties outside the District and within the proximity radii for neighborhood parks in the District receive benefits from the improvements. Since these properties are not assessed for their benefits because they are outside of the area that can be assessed by the District, this is a form of general benefit to the public at large and other property. A 50% reduction factor is applied to these properties because they are all on only one side of the improvements while properties in the District enjoy the advantage of over twice the average proximity to the improvements. Per the Prior Engineer's Report, the general benefit to property outside of the District is calculated as follows:

Assumptions:

5,190	parcels outside the District but within 0.5 miles of a park within the District
47,684	parcels in the District
50%	relative benefit compared to property within the District

Calculation of General Benefit to Property Outside the District

= 5,190 / (47,684 + 5,190) * 50% = **4.9%**

Although it can reasonably be argued that the improvements inside, but near the District boundaries are offset by similar park and recreational improvements provided outside, but near the District boundaries, we use the more conservative approach of finding that 4.9% of the improvements may be of general benefit to property outside the District.

BENEFIT TO PROPERTY INSIDE THE DISTRICT THAT IS INDIRECT AND DERIVATIVE

The "indirect and derivative" benefit to property within the District is particularly difficult to calculate. A solid argument can be presented that all benefit within the District is special, because the improvements are clearly "over and above" and "particular and distinct" when compared with the baseline level of service and the unique proximity, access and views of the Improvements enjoyed by benefiting properties in the District. Nevertheless, the *SVTA* decision indicates that there may be general benefit "conferred on real property located in the district". A measure of the general benefits to property within the assessment area is the percentage of land area within the District that is publicly owned and used for regional purposes such as major roads, rail lines and other regional facilities because such properties used for regional purposes could provide indirect benefits to the public at large. Approximately 3% of the land area in the District is used for such regional purposes, so this is a measure of the general benefits to property within the District.

BENEFIT TO THE PUBLIC AT LARGE

The general benefit to the public at large can be estimated by the proportionate amount of time that the District's parks and recreational facilities are used and enjoyed by individuals who do not contribute to the assessment in any way (i.e. do not pay the assessment or local taxes or fees that support the City.[10] A

[10] *Per the formation engineer, when District facilities are used by those individuals, the facilities are not providing benefit to property within the City. Use under these circumstances is a measure of general benefit. For example, a non-resident who is drawn to utilize the City facilities and shops at local businesses while in the area would provide special benefit to business properties as a result of his or her use of the Improvements. Conversely, one who uses City facilities but does not reside, work, shop or own property within the City boundaries does not provide special benefits to any property and is considered to be a measure of the general benefits.*

survey of park and recreation facility usage conducted by the formation engineer found that less than 8% of the City's park and recreation facility usage is by those who do not live or work within City boundaries. [11]

Several of the improvements such as the family aquatics center, amphitheater and sports complex are the type of public resources that draw residents from throughout the community. Therefore, they are deemed to be of benefit to all properties within the City. Due to their "draw" these types of facilities may also serve to bring in somewhat higher numbers of people who do not contribute to the assessment in any way. Of the proposed facilities, the Family Aquatics Center warrants further analysis to estimate potential resident/non-resident use. Resident/non-resident use statistics vary depending on the specifics of the community such as proximity to other communities and location of other similar aquatics centers. The City is largely separated by distance from other urbanized areas, which should serve to reduce the percentage of non-resident use. Data from other communities deemed to be similar in amenities and location finds that the percentage of non-resident use can vary from 15% up to approximately 50%. A non-resident use percentage of 50% will be used as a conservative estimate for this facility.

Although many of the non-resident users of the City's aquatics facility will shop or work in the community, this unadjusted data will be used as a conservative measure of general benefits. This measure of the general benefits from family aquatics facilities is combined with the findings of the park and recreation facility usage survey to conservatively estimate the overall level of general benefits. Using an equal weighting of both measures of general benefits, 29% of the benefits conferred by the proposed maintenance and improvements are determined to be general benefits to the public at large.

TOTAL GENERAL BENEFITS

Using a sum of these three measures of general benefit, the Prior Engineer's Report found that approximately 37% of the benefits conferred by the improvements may be general in nature and should be funded by sources other than the assessment.

General Benefit Calculation:

4.9%	Outside the District
+ 3.0%	Property within the District
+ 29.0%	Public at Large
= 36.9%	**Total General Benefit**

Although the analysis finds that 36.9% of the assessment may provide general benefits, the Prior Engineer's Report established a requirement for a minimum contribution from sources other than the assessments of 40%. This minimum contribution above the measure of general benefits will serve to provide additional coverage for any other general benefits. The City's total budget for maintenance and operation of its parks and recreational facilities is $7,132,547.95. Of this total budget amount, the City will contribute at least $2,853,019.18 (or 40%) from sources other than the assessments, to cover any general benefits that cannot be assessed to property owners in the District.

[11] *A total of 534 park users were surveyed at different parks and recreation facilities on different days and times between the months of July 2001 and March 2002. 41 respondents (7.7%) indicated that they did not reside or work within the City.*

5.6 Zones of Benefit

As detailed in the Prior Engineer's report, the boundaries of the District have been carefully drawn to include the properties in the City that are proximate to the proposed improvements and that would materially benefit from the improvements. In other words, the boundaries of the District have been narrowly drawn to include only properties that will specially benefit from the proposed improvements and would receive a declining level of service if the assessments were not approved.

The *SVTA* decision indicates:

> *In a well-drawn district — limited to only parcels receiving special benefits from the improvement — every parcel within that district receives a shared special benefit. Under section 2, subdivision (i), these benefits can be construed as being general benefits since they are not "particular and distinct" and are not "over and above" the benefits received by other properties "located in the district."*
>
> *We do not believe that the voters intended to invalidate an assessment district that is narrowly drawn to include only properties directly benefiting from an improvement. Indeed, the ballot materials reflect otherwise. Thus, if an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special. In that circumstance, the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g., proximity to park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district's property values).*

In the District, the advantage that each parcel receives from the improvements is direct, and the boundaries are narrowly drawn to include only parcels that benefit from the assessment.

Due to their greater distance and reduced proximity from the improvements, one area of the City is deemed to receive lesser benefit from the improvements than other urbanized areas of the City. The area of reduced relative benefit is generally described as all parcels east of 90th Street East on the south and east of US Air Force Plant 42, and all parcels east of 50th Street East on the north and east of US Air Force Plant 42. This area is hereinafter referred to as Zone of Benefit B or Zone B and is depicted on the Assessment Diagram included with this report.

In Fiscal Year 2006/07 a new zone of benefit, Zone of Benefit C or Zone C, was created for parcels previously designated as being also within Zone B and located in the western areas of the District. Zone C covers all contiguous parcels within the boundaries of the City, generally west and south of the California Aqueduct, including all the parcels in Assessor's Parcel Books 3205, 3206, 3216 and 3217, within the boundaries of the City. The special benefit received by parcels in Zone C was revised as public parks and recreation facilities are installed, maintained and serviced by the District closer to property in Zone C, making the special benefit to be received in this area similar to that of areas in Zone A. As a result of the additional special benefits, an increased rate of assessment was proposed for parcels in Zone C, and after receiving the support of the property owners in Zone C, the increased assessment rate was first applied for Fiscal Year 2006/07.

All other properties within the District are classified into Zone of Benefit A or Zone A. All three Zones of Benefit, Zones A, B and C, are depicted on the Assessment Diagram included with this report and are listed on the Assessment Roll.

Zone A and Zone C improvements are similarly accessible to all properties within each Zone of Benefit. Therefore, benefits from the improvements do not further vary based on proximity of the parcels to the improvements within Zone A and Zone C because the increased benefits of greater proximity to the improvements are generally offset by a parallel increase in negative factors such as higher levels of traffic, noise, etc. that comes with increased proximity.

Since properties in Zone B (east) are generally twice the distance from the improvements funded by the assessments, it is estimated that the relative level of benefit to properties in Zone B is 50% the benefit received by properties in Zone A and Zone C. The proposed assessments for properties in Zone B will therefore be 50% of the amount of assessment for similar properties in Zone A and Zone C. The relative proximity to improvements is generally equivalent in Zone A and Zone C so the assessment rates for Zones A and C are equal.

5.7 Method of Assessment

As previously discussed, the assessments provide specific improvements that confer direct and tangible special benefits to properties in the District. These benefits can partially be measured by the occupants on property in the District because such parcel population density is a measure of the relative benefit a parcel receives from the improvements. Therefore, the apportionment of benefit is partially based the population density of parcels.[12]

It should be noted that many other types of "traditional" assessments also use parcel population densities to apportion the assessments. For example, the assessments for sewer systems, roads and water systems are typically allocated based on the population density of the parcels assessed. Moreover, assessments have a long history of use in California and are in large part based on the principle that benefits from a service or improvement funded by assessments that is enjoyed by tenants and other non-property owners ultimately is conferred directly to the underlying property. [13]

The next step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a single family home, or, in other words, on the basis of Single Family Equivalents (SFE). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefit and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. For the purposes of this report, all properties are designated a SFE value, which is each property's relative benefit in relation

[12] *As detailed in the Annual Engineer's Report, City of Palmdale, Park Maintenance and Recreation Improvement District, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

[13] *For example, in Federal Construction Co. v. Ensign (1922) 59 Cal.App. 200 at 211, the appellate court determined that a sewer system specially benefited property even though the direct benefit was to the people who used the sewers: "Practically every inhabitant of a city either is the owner of the land on which he resides or on which he pursues his vocation, or he is the tenant of the owner, or is the agent or servant of such owner or of such tenant. And since it is the inhabitants who make by far the greater use of a city's sewer system, it is to them, as lot owners or as tenants, or as the servants or agents of such lot owners or tenants, that the advantages of actual use will redound. But this advantage of use means that, in the final analysis, it is the lot owners themselves who will be especially benefited in a financial sense."*

to a single family home on one parcel. In this case, the "benchmark" property is the single family detached dwelling which is one Single Family Equivalent or one SFE.

In the process of determining the appropriate method of assessment, alternatives were considered. For example, an assessment only for all residential improved property was considered but was determined to be inappropriate because commercial, industrial, and other properties also receive direct benefits from the improvements.

Moreover, a fixed or flat assessment for all properties of similar type was deemed to be inappropriate because larger properties receive a higher degree of benefit than other similarly used properties that are significantly smaller. For two properties used for commercial purposes, there is clearly a higher benefit provided to the larger property in comparison to a smaller commercial property because the larger property generally supports a larger building and has higher numbers of employees, customers and guests that would benefit from proximity and improved access to well maintained and improved parks and recreational facilities. So, the potential population of employees or residents is a measure of the special benefits received by the property. Larger parcels, therefore, receive an increased benefit from the improvements.

Finally, the special benefits derived from the improvements are conferred on property and are not based on a specific property owner's use of the improvements, or a specific property owner's occupancy of property or the property owner's demographic status such as age or number of dependents. However, it is ultimately people who value the special benefits described above and use and enjoy the City's park and recreational facilities. In other words, the benefits derived to property are related to the average number of people who could potentially live on, work at, or otherwise could use a property, not how the property is currently used by the present owner. Therefore, the number of people who could or potentially live on, work at or otherwise use a property is one indicator of the relative level of benefit received by a property.

In conclusion, the information from the Prior Engineer's Report determined that the appropriate method of assessment apportionment should be based on the type and use of property, the relative size of the property, its relative population and usage potential and its proximity to parks and recreational facilities. This method is further described below.

RESIDENTIAL PROPERTIES

Certain residential properties in the District that contain a single residential dwelling unit are assigned one Single Family Equivalent or 1.0 SFE. Traditional houses, zero-lot line houses and townhomes are included in this category of single family residential property.

Properties with more than one residential unit are designated as multi-family residential properties. These properties benefit from the improvements in proportion to the number of dwelling units that occupy each property, the average number of people who reside in multi-family residential units versus the average number of people who reside in a single family home and the average size of multi-family residential units versus the average size of single family homes. The population density factors for the City, as depicted below, provide a partial basis for determining the SFE factors for residential properties. Using the total population in a certain property type in the City from the 1990 Census (the most recent data available when the District was established) and dividing it by the total number of such households, finds that approximately 3.32 persons occupy each single family residence, whereas an average of 2.69 persons

occupy each multi-family residence. Using the ratio of one Population Factor for each single-family residence, which equates to one Population Factor for every 3.32 persons, a 0.81 Population Factor would equate to one multi-family unit or a 0.81 Population Factor for every 2.69 residents. Likewise, each condominium unit receives a 0.81 Population Factor and each mobile home receives a 0.86 Population Factor.

Residential Density and Population Factors

	Total Population	Occupied Households	Persons per Household	Population Factor
Single Family Residential	49,488	14,905	3.32	1.00
Condominium	1,194	442	2.70	0.81
Multi-Family Residential	12,560	4,667	2.69	0.81
Mobile Home on Separate Lot	5,292	1,854	2.85	0.86

Source: 1990 Census, City of Palmdale.

Once established, Population Factors are adjusted to reflect the average structure size of different residential properties. This adjustment is needed because the special benefits are deemed to be relative to the potential population density and building area per dwelling unit. The average structure size of a single family residence in the City is 1,715 square feet, whereas the average multi-family residence is 920 square feet per unit, or 54% of the size of a single family residence. Likewise, the average condominium unit is 73% of the size of a single family residence and the average mobile home is 50% of the size of a single family residence. These building area percentages are applied to the Population Factors to determine the SFE benefit factors for residential properties. Therefore, multi-family properties with a 0.81 Population Factor and a 54% building area percentage will receive a 0.43 SFE.[14] Likewise, condominium units receive a 0.59 SFE and mobile homes on separate parcels receive a 0.43 SFE.

Residential Assessment Benefit Factors

	Average Square Feet	% of SFR	Population Factor	SFE Factor
Single Family Residential	1,715	100%	1.00	1.00
Condominium	1,250	73%	0.81	0.59
Multi-Family Residential	920	54%	0.81	0.43
Mobile Home on Separate Lot	855	50%	0.86	0.43

The SFE factor of 0.43 per dwelling unit for multi-family residential properties applies to such properties with 20 or fewer units. Properties in excess of 20 units typically offer on-site recreational amenities and other facilities that tend to offset some of the benefits provided by the improvements. Therefore, the benefit for properties in excess of 20 units is determined to be 0.43 SFE per unit for the first 20 units and 0.10 SFE per each additional unit in excess of 20 dwelling units.

[14] *(0.81 * 54% = 0.43)*

COMMERCIAL/INDUSTRIAL PROPERTIES

SFE values for commercial and industrial land uses are based on the equivalence of special benefit on a land area basis between single family residential property and the average commercial/industrial property. The SFE values for various commercial and industrial land uses are further defined by using average employee densities because the special benefit factors described previously can be measured by the average number of people who work at commercial/industrial properties. In order to determine employee density factors, the findings from the San Diego Association of Governments Traffic Generators Study (the "SANDAG Study") are used because these findings were approved by the State Legislature as being a good representation of the average number of employees per acre of land area for commercial and industrial properties. As determined by the SANDAG Study, the average number of employees per acre for commercial and industrial property is 24.

In comparison, the average number of people residing in a single family home in the area is 3.32. Since the average lot size for a single family home in the City is approximately 0.20 acres, the average number of residents per acre of residential property is 16.60.

The employee density per acre is generally 1.45 times the population density of single family residential property per acre (24 employees per acre / 16.60 residents per acre). Therefore, the average employee density can be used as the basis for allocating benefit to commercial or industrial property since a commercial/industrial property with 1.45 employees receives generally similar special benefit to a residential property with 1 resident. This factor of equivalence of benefit between 1 resident to 1.45 employees is the basis for allocating commercial/industrial benefit.

The table below shows the average employees per acre of land area or portion thereof for commercial and industrial properties and lists the relative SFE factors per fifth of an acre for properties in each land use category.

Commercial and industrial properties in excess of 5 acres generally involve uses that are more land intensive relative to building areas and number of employees (lower coverage ratios). As a result, the benefit factors for commercial and industrial property land area in excess of 5 acres is determined to be the SFE rate per fifth of an acre for the first 5 acres and the relevant SFE rate per each additional acre over 5 acres. Institutional properties that are used for residential, commercial or industrial purposes are also assessed at the appropriate residential, commercial or industrial rate.

Commercial/Industrial Density and Assessment Factors

Type of Commercial/Industrial Land Use	Average Employees per Acre [1]	SFE Units per 1/5 Acre [2]
Commercial	24	1.00
Office	68	2.84
Shopping Center	24	1.00
Industrial	24	1.00
Self Storage or Parking Lot	1	0.05

(1) Source: San Diego Association of Governments Traffic Generators Study.
(2) The SFE factors for commercial and industrial parcels are applied by the fifth of an acre of land area or portion thereof. Therefore, the minimum assessment for any assessable parcel in these categories is the SFR units listed herein.

VACANT PROPERTIES

The benefit to vacant properties is determined to be proportional to the corresponding benefits for similar type developed properties; however, at a lower rate due to the lack of improvements on the property. A measure of the benefits accruing to the underlying land is the average value of land in relation to improvements for developed property. An analysis of the Fiscal Year 2002/03 assessed valuation data for the City from the County of Los Angeles, found that approximately 35% of the assessed value of improved properties is classified as the land value. It is reasonable to assume, therefore, that approximately 35% of the benefits are related to the underlying land and 65% are related to the improvements and the day-to-day use of the property. Using this ratio, the SFE factor for vacant parcels is 0.35 per parcel.

The value of properties increases as properties are approved for parcel division and development. Likewise, the special benefits received by vacant property increases as the property is approved for parcel division and development. When property is approved for parcel division and development with a final map, the property has passed the final significant hurdle to development and can shortly undergo construction. Since the property is nearing the point of development, its special benefits increase. In addition, these properties are generally sold soon after completion of improvements, so the properties receive the additional benefit of desirability from prospective buyers due to the special benefits provided by proximity to the improvements in the City. It is therefore determined that property with tentative or final map approval receives 25% of the relative benefit per mapped dwelling unit or mapped parcel acreage compared to improved property of similar use-type.

OTHER PROPERTIES

Article XIII D stipulates that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the improvements.

All properties that are specially benefited are assessed. Other publicly owned property that is used for purposes similar to private residential, commercial, industrial or institutional uses is benefited and assessed at the same rate as such privately owned property.

Miscellaneous, small and other parcels such as roads, right-of-way parcels, reservoir or other water rights parcels that cannot be developed into other improved uses, limited access open space parcels, watershed parcels and common areas typically do not generate significant numbers of employees, residents, customers or guests and have limited economic value. These miscellaneous parcels receive minimal benefit from the improvements and are assessed an SFE benefit factor of 0.

As detailed by the formation engineer, church parcels and property used for educational purposes typically generate employees on a less consistent basis than other non-residential parcels. Many of these parcels also provide some degree of on-site amenities that serve to offset some of the benefits from the District. In addition, the City maintains reciprocal use arrangements with many educational properties that allow for the public, recreational use of these properties. Such public use tends to reduce the use and wear of City facilities. Therefore, these parcels receive minimal benefit and are assessed an SFE factor of 1.[15]

[15] *As detailed in the Engineer's Report, City of Palmdale, Park Maintenance and Recreation Improvement District, Fiscal Year 2002/03 dated April 2002.*

5.8 Cost of Living Inflator

Property owners in the District approved in an assessment ballot proceeding in 2002 the initial fiscal year benefit assessment for special benefits to their property including a Consumer Price Index ("CPI") increase schedule. As a result, the assessment may continue to be levied annually and may be increased up to the maximum annual CPI without any additional assessment ballot proceeding. In the event that in future years the assessments are levied at a rate less than the maximum authorized assessment rate, the assessment rate in a subsequent year may be increased up to the maximum authorized assessment rate without any additional assessment ballot proceeding.

The assessment rate is subject to an annual increase tied to the annual change in the Consumer Price Index for the Los Angeles Area as of January of each succeeding year, with the maximum annual increase not to exceed 3%. Any change in the CPI in excess of 3% shall be cumulatively reserved as the "Unused CPI" and shall be used to increase the maximum authorized assessment rate in years in which the CPI is less than 3%. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year the assessment was levied, increased annually by the maximum of: 1) 3% or 2) the change in the CPI plus any Unused CPI as described above.

The annual percentage change in the CPI from January 2025 to January 2026 was 3.017%, and there was 7.13% of the Unused CPI carried over (as described above). Therefore, the cost of living inflator for Fiscal Year 2026/27 is 3%.

5.9 Fiscal Year 2026/27 Maximum Assessment

The maximum authorized assessment rate for Fiscal Year 2026/27 is increased by 3% which equates to $65.52 per SFE for Zones A and C, and $32.76 per SFE for Zone B. The District's budget, provided in the Estimate of Costs section of this Engineer's Report, proposes assessments for Fiscal Year 2026/27 at the rate of $65.52 per SFE for Zones A and C and $32.76 for Zone B, which is equal to the maximum authorized assessment rate.

5.10 Duration of Assessment

It is proposed that the assessment be levied for Fiscal Year 2004/05 and continued every year thereafter, so long as the parks and recreational areas need to be improved and maintained and the City requires funding from the assessments for District improvements. As noted previously, the assessment can continue to be levied annually after the City Council approves an annually updated Engineer's Report, budget for the assessment, improvements to be provided, and other specifics of the assessment. In addition, the City Council must hold an annual public hearing to continue the assessment.

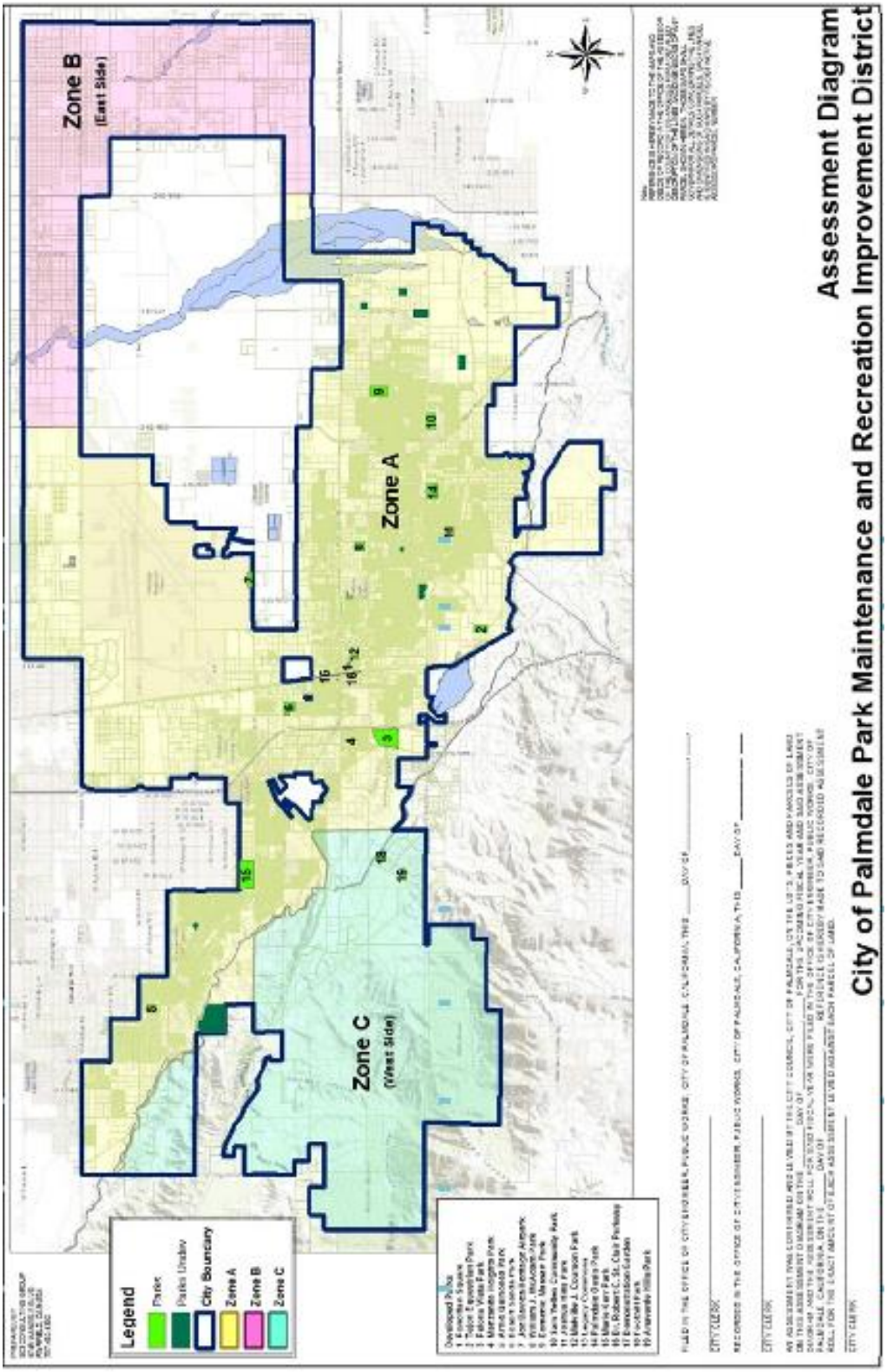
5.11 Appeals and Public Hearing

Any property owner who feels that the assessment levied on the subject property is in error, as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the City of Palmdale Public Works department. Any such appeal is limited to correction of an assessment during the then current fiscal year or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the City of Palmdale Public Works Engineer or his or her designee will promptly review the appeal and any information provided by the property owner. If the Public Works Engineer of the City of

Palmdale or her or his designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the City Engineer or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the City Engineer or her or his designee shall be referred to the Director of Public Works of the City of Palmdale, and the decision of the Director of Public Works of the City of Palmdale shall be final.

6. ASSESSMENT DIAGRAM

The District includes all properties within the boundaries of the City. The boundaries of the District are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the County Assessor of the County of Los Angeles, at the time this Engineer's Report was prepared, and are incorporated by reference herein and made part of this Engineer's Report.


Assessment Diagram
City of Palmdale Park Maintenance and Recreation Improvement District
Zone B
(East Side)
Zone A
Zone C
(West Side)
Legend
Parks
Parks Undev
City Boundary
Zone A
Zone B
Zone C

7. ASSESSMENT ROLL

Assessor's parcel identification, for each lot or parcel subject to the assessment, shall be based on the County Assessor's secured roll data for the applicable year in which this report is prepared and is incorporated herein by reference.

A listing of assessor's parcels subject to the assessments for Fiscal Year 2026/27, along with the assessment amounts, is on file in the office of the City Clerk[16] and incorporated herein by reference. Based on County Assessor's secured roll data, current assessor's parcels, including corrected and/or new assessor's parcels, will be submitted and/or resubmitted to the County Auditor/Controller. The annual assessment amount to be levied and collected for the resubmitted parcel(s) shall be determined in accordance with the method of apportionment and assessment rate approved in this report. Therefore, if a single assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the charge amounts applied to each of the new assessor's parcels shall be recalculated and applied according to the approved method outlined in the method of apportionment and assessment rate rather than a proportionate share of the original assessment amount.

The following table summarizes the Fiscal Year 2026/27 assessment for the District.

Zone of Benefit	Parcels (1)	SFE Units	FY 2026/27 Rate Per SFE	FY 2026/27 Assessment Amount
Zone A	43,118	49,487.65	$65.52	$3,242,414.93
Zone B	360	132.59	32.76	4,341.56
Zone C	2,238	1,970.41	65.52	129,101.09
Totals:	**45,716**	**51,590.65**		**$3,375,857.58**

(1) Includes only parcels levied.

[16] *A copy may be retained from the City Engineer.*

CITY OF PALMDALE

Fiscal Year 2026/27 Engineer's Report For:

Streetlight Maintenance Assessment Districts and Annexations

May 2026

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1. ENGINEER'S LETTER

WHEREAS, the City Council of the City of Palmdale (the "City"), State of California, under the Landscaping and Lighting Act of 1972 (the "Act"), directed NBS to prepare and file the Annual Engineer's Report for the Streetlight Maintenance Assessment Districts and Annexations (the "Districts") for Fiscal Year 2026/27, in accordance with Article 4 of Chapter 1 of the Act and Article XIII D of the California Constitution. The report presents the plans[1] and specifications describing the general nature, location and extent of the improvements to be maintained, an estimate of the costs of the administration, maintenance, operations and servicing of the improvements for Fiscal Year 2026/27, the diagram for the Districts, showing the area and properties to be assessed, and assessing the net amount upon the assessable lots and/or parcels within the Districts in proportion to the special benefit received.

NOW THEREFORE, the assessments as detailed in this Engineer's Report and as summarized in the table below are made to cover the portion of the estimated costs of maintenance, operation and servicing of said improvements to be paid by the assessable real property within the Districts in proportion to the special benefit received.

District(1)	Parcels(2)	EDUs(3)	Proposed FY 2026/27 Assessment Amount(4)
District No. 1 and No. 4	6,711	10,101.536	$1,364,412.38
District No. 2	1,419	1,480.918	197,449.62
District No. 3	32	32.000	55,784.96
District No. 5	31,614	34,958.000	3,554,877.68
Totals:	**39,776**	**46,572.454**	**$5,172,524.64**

(1) Includes District and Annexations. District No. 1 and No. 4 are combined for County tax roll purposes.
(2) Includes only parcels levied.
(3) Equivalent Dwelling Unit.
(4) A list of the Districts and Annexations containing the total proposed Fiscal Year 2026/27 assessments, the number of parcels assessed and assessment rate are detailed in Section 8 of this Engineer's Report.

I, the undersigned, respectfully submit this Engineer's Report and, to the best of my knowledge, information and belief, the Engineer's Report, Assessments, and the Assessment Diagram herein have been prepared, computed and levied in accordance with the assessment methodology adopted, approved and ordered by the City Council of the City of Palmdale at the time of each District formation.

_____

John G. Egan, P. E.
Assessment Engineer

[1] *Detailed plans are included by reference and on file in the office of the City Engineer.*

2. INTRODUCTION

2.1 Background

The City provides maintenance and servicing of certain publicly owned streetlights throughout the City. In order to fund the maintenance and operation (the "Services") of these projects and improvements, the City has formed five Streetlight Maintenance Assessment Districts, including subsequent Annexations. The Districts have been formed and the levies have been made pursuant to Part 2 of Division 15 of the California Streets and Highways Code, commonly known as the Landscape and Lighting Act of 1972, and Article XIII D of the California Constitution (the "Article XIII D").

2.2 Assessment District Inventory

Currently, there are five Streetlight Maintenance Assessment Districts with 172 Annexation Districts overall, although some Annexations are not assessed (see the following section for annexation exceptions):

District No. 1 consists of residential and non-residential developments located throughout the City and that are not included within a Los Angeles County Lighting Maintenance District. District No. 1 has 144 individual annexations encompassing approximately 6,840 parcels.

District No. 2 includes the Anaverde Master Planned Community. District No. 2 includes two annexations and approximately 1,460 parcels.

District No. 3 includes the Ritter Ranch Master Planned Community. The number of parcels at build out is expected to be approximately 6,500 parcels, although this number will likely be subject to revision once development resumes in this area.

District No. 4, similar to District No. 1, consists of residential and non-residential developments located throughout the City, that are not included within a Los Angeles County Lighting Maintenance District, and that were annexed on or after 2010. District No. 4 has 24 individual annexations including approximately 70 parcels.

District No. 5 also consists of residential and non-residential developments located throughout the City. The designation of "District No. 5" was used for the first time in Fiscal Year 2014/15 to identify the approximately 32,900 parcels within the City that were previously covered under the Los Angeles County Lighting Maintenance District No. 1616 (CLMD 1616). LA County administered the streetlights assessments and managed the streetlights improvements up to Fiscal Year 2013/14. Starting Fiscal Year 2014/15 the City took over these functions from the County.

The designation of the existing Districts is as follows:

District No. 1, located throughout the City includes Annexation Nos. 001; 003 through 007; 009; 011; 013 through 080; 082 through 092; 095 through 097; 099 through 111; 113 through 117; 119 through 132; 134 through 137; 139 through 141, 144 through 152, 154, 186, and 203.

District No. 2, located in the Anaverde Master Planned Community consists of two districts, 800 and 801. Starting in Fiscal Year 2012/13 the numbers assigned to the districts in Anaverde will be in the 800 series.

District No. 3, located in the Master Planned Community of Ritter Ranch consists of one district. Starting in Fiscal Year 2012/13 the numbers assigned to the districts in Ritter Ranch will be in the 900 series.

District No. 4, located throughout the City includes Annexation Nos. 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 172, 173, 174, 175, 178, 180, 184 and 193.

District No. 5, located throughout the City and includes only one district, No. 91616.

For a detailed description of the above-mentioned Districts and Annexations, see Section 7 of this Engineer's Report.

2.3 Annexation Exceptions and Other District Information

Per City Policy, the projects within the Districts and Annexations that have been issued construction permits and have begun construction will be assessed.

Annexation Nos. 002, 008, 010, and 012 have overlapping LA County lighting districts and are not assessed by the City.

Annexation Nos. 058, 077, 116, 119, 124, 130, 131, 132, 145, 147, 148, 150 and 151 will not be assessed for Fiscal Year 2010/11 and future years.

Annexation Nos. 146, 149 and 152 were assessed for the first time in Fiscal Year 2009/10.

Annexation Nos. 154 and 155 were assessed for the first time in Fiscal Year 2010/11.

Annexation No. 156 was assessed for the first time in Fiscal Year 2011/12.

Annexation Nos. 801 was assessed for the first time in Fiscal Year 2012/13.

Annexation Nos. 161 and 163 were assessed for the first time in Fiscal Year 2013/14.

Annexation Nos. 162 and 166 were assessed for the first time in Fiscal Year 2014/15.

Annexation Nos. 159, 164, and 167 were assessed for the first time in Fiscal Year 2015/16.

Annexation Nos. 144, 173 and 175 were assessed for the first time in Fiscal Year 2019/20.

Annexation Nos. 180 and 184 were be assessed for the first time in Fiscal Year 2020/21.

Annexation Nos. 070, 072, 121, 128, 139, 157, 158, 160, 165, and 169 will not be assessed until development starts.

Annexation Nos. 168 and 193 were assessed for the first time in Fiscal Year 2021/22.

Annexation Nos. 091, 095, 111, 129, 186 were assessed for the first time in Fiscal Year 2022/23.

Annexation 060 has been dissolved as of April 6, 2016. The homeowner's association will undertake the maintenance of all improvements and services beginning Fiscal Year 2016/17.

2.4 Process for Annual Assessment

In each subsequent year for which the assessment will be continued and as required by the procedures specified in the 1972 Act, an Engineer's Report must be prepared on an annual basis which contains a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the assessment district.

The City Council must also annually adopt a resolution of intention which:

- Declares the intention of the City Council to levy and collect assessments within the assessment district for the fiscal year stated therein.
- Generally describes the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.
- Refers to the assessment district by its distinctive designation and indicates the general location of the assessment district.
- Refers to the report of the engineer, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the assessment district.
- Gives notice of the time and place for public hearing by the City Council on the levy of the proposed assessment.
- States whether the assessment is proposed to increase from the previous year.

If the assessments are to be levied in the same or lesser amounts than the maximum assessment allowed, the City Clerk shall give notice of the public hearing by causing the resolution of intention to be published. Any interested person may, prior to the conclusion of the public hearing, file a written protest which shall state all grounds of objection. The protest shall contain a description sufficient to identify the property owned by the property owner filing the protest. During the course or upon conclusion of the hearing, the City Council may order changes in any of the matters provided in the report, including changes in the improvements, any zones within the assessment district, and the proposed diagram or the proposed assessment. If the assessment to be levied exceeds the maximum assessment allowed, the City must comply with the procedures specified in Article XIII D and Proposition 218.

The City Council, upon conclusion of the public hearing must then adopt a resolution confirming the diagram and assessment, either as originally proposed or as changed by it. The adoption of the resolution shall constitute the levy of an assessment for the fiscal year referred to in the assessment. If confirmed, the assessments would be submitted to the County Auditor Controller for inclusion on the property tax roll.

2.5 Legislative Context

In 1996, California Voters adopted Proposition 218, the "Right to Vote on Taxes Act" which added Articles XIII C and XIII D to the California Constitution. Article XIII D imposes certain substantive and procedural requirements on any agency that wishes to levy special assessments.

Article XIII D imposes four basic substantive requirements on assessments[2]:

- All parcels that will have a special benefit conferred upon them and upon which an assessment will be imposed must be identified;
- The general benefits must be distinguished from the special benefits conferred on the parcels;
- The proportionate special benefit derived by each parcel must be determined in relationship to the entirety of the capital improvement, the maintenance and operation expenses of the public improvement, or the cost of the property related service being provided; and
- The amount assessed to a parcel must not exceed the reasonable cost of the proportional special benefit conferred on that parcel and does not include any costs attributable to the general benefit.

Since the initial passage of Proposition 218, several court rulings have helped provide context and direction on the practical implementation procedures and requirements for levying assessments. Several of the key concepts from these rulings are summarized below.

GENERAL BENEFIT

Article XIII D requires an agency to separate the general benefits from the special benefits conferred because only special benefits are assessable.

The Court of Appeal in *Golden Hills Neighborhood Assn., Inc. v. City of San Diego* (2011) (*Golden Hills*)[3] clarified this concept by stating, "*Separation and quantification of general and special benefits must be accomplished by apportioning the cost of a service or improvement between the two and assessing property owners only for the portion of the cost representing special benefits*."

The Court of Appeal in *Beutz v. County of Riverside* (2010) (*Beutz*)[4] quoted from the Legislative Analyst's Office pamphlet titled "Understanding Proposition 218" which states an agency must, "*estimate the amount of special benefit landowners would receive from the project or service, as well as the amount of 'general benefit.' This step is needed because Proposition 218 allows local government to recoup from assessments only the proportionate share of cost to provide the special benefit.*"

The Court in *Beutz* furthered this idea stating, "*Separating the general from the special benefits of a public improvement project and estimating the quantity of each in relation to the other is essential if an assessment is to be limited to the special benefits*."

The Court of Appeal in *Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority* (2008) (*SVTA*)[5] clarified that general benefits are not restricted to benefits conferred only on persons and property outside the assessment district but can include benefits both conferred on real

[2] *California Constitution Article XIII D Section 4.*
[3] *Golden Hill Neighborhood Assn. v. City of San Diego CA4/1, D062203 (Cal. Ct. App. 2013)*
[4] *Beutz v. County of Riverside, 109 Cal. Rptr. 3d 851 (Cal. Ct. App. 2010)*
[5] *Silicon Valley Taxpayers' Association Incorporated v. Santa Clara County Open Space Authority, 44 Cal. 4th 431 (2008).*

property located in the district or to the public at large. The "public at large" includes all members of the public, including those who live, work, and shop within the district, and not simply transient visitors.

BENEFIT-BASED NOT COST-BASED

In *Bonander v. Town of Tiburon* (2009) (*Tiburon)*[6], the Court of Appeal clarified the idea that assessments must be apportioned based upon benefit rather than cost. The Court stated, "*Proportionate special benefit is the basis upon which a project's total assessable costs are apportioned among parcels within an assessment district.*"

The assessment on a particular property cannot be based on the relative cost of the improvements, but rather the special benefit conferred on such property. The Court in *Tiburon* also stated, "*an assessment represents the entirety of the cost of the improvement or property-related service, less any amount attributable to general benefits (which may not be assessed), allocated to individual properties in proportion to the relative special benefit conferred on the property*."

PUBLIC PROPERTY

Section 4, Subdivision (a) of Article XIII D states, in part, "*Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.*" Historically there had been differing opinions about whether this requirement that publicly owned property should not be exempt actually meant those properties must be assessed.

The Court of Appeal in *Manteca Unified School District v. Reclamation District No. 17 et al* (2017) *(Manteca)*[7] clarified this issue by stating, *"section 4, subdivision (a) of article XIII D of the California Constitution unambiguously conditions any continuing benefit assessment exemption on a showing by clear and convincing evidence of no special benefit.*"

IMPRECISION

The Court in *Tiburon* acknowledged the difficulty of trying to precisely assign and measure special benefit, stating, "*Any attempt to classify special benefits conferred on particular properties and to assign relative weights to those benefits will necessarily involve some degree of imprecision.*"

The Court in *Tiburon* went on to say that a formula assigning equal weight to different special benefits *"may be a legally justifiable approach to measuring and apportioning special benefits,* [but] *it is not necessarily the only valid approach. Whichever approach is taken to measuring and apportioning special benefits, however, it must be both defensible and consistently applied*."

[6] *Bonander v. Town of Tiburon, 147 Cal. App. 4th 1116 (Cal. Ct. App. 2007)*
[7] *Manteca Unified School District v. Reclamation District No. 17 et al, C077906 (Cal. Ct. App. 2017)*

3. PLANS AND SPECIFICATIONS

The work and improvements proposed to be undertaken by the City and the cost thereof paid from the levy of the annual assessment provide special benefit to assessor parcels within the Districts defined in the Method of Assessment herein. Consistent with the Act, the improvements are generally described as follows:

1. The installation, maintenance, and servicing of local streetlight and traffic signal structures in close proximity, within approximately 90 feet, to certain lots and parcels which provide a direct special benefit to such lots or parcels.
2. The installation, maintenance, and servicing of peripheral streetlight and traffic signal structures which provide a special benefit to all the assessable parcels within the Districts and Annexations whether or not such parcels are in close proximity to such lighting.
3. The installation or construction of public lighting facilities, or the acquisition of any existing improvements.

Plans and Specifications for the improvements for the Districts are voluminous and are not bound in this Engineer's Report but by this reference are incorporated and made a part of this report. The Plans and Specifications are on file in the office of the Director of Public Works where they are available for public inspection.

Article XIII D of the California Constitution defines "maintenance and servicing expenses" as, "the cost of rent, repair, replacement, rehabilitation, fuel, power, electrical current, care and supervision necessary to properly operate and maintain a permanent public improvement". The improvement funding includes, but is not limited to, the removal, repair, replacement or relocation of light standards, poles, bulbs, fixtures and appurtenances, electrical energy, supplies, engineering and incidental costs relating to the maintenance and servicing of the local and peripheral lighting and traffic signal improvements benefiting the parcels within the Districts.

The improvements to be maintained and serviced within the Districts are to be part of the local and peripheral streetlight and traffic signal system of the City that confers special benefit to the Districts' parcels. The specific location of both local and peripheral streetlight and traffic signal improvements within the City can be found on the Streetlight Inventory Maps maintained by the City and on file in the office of the Director of Public Works where they are available for inspection. The City also maintains a lamp location list that is a tabulated listing of every street in the Districts by alphabetical order. Included in the items listed for each lamp are the exact location by street address number and lamp size.

Also included within the City streetlight system are traffic signals and highway safety lights (lights mounted on traffic signal poles). Traffic signal improvements may include both local and peripheral traffic signals. Local traffic signals are signals or portions thereof installed within the Districts. Peripheral traffic signals are portions of traffic signals installed outside of the Districts.

The improvements to be maintained and serviced within the Districts include Southern California Edison-owned streetlights within the right of way of the local public streets located within the boundaries of the Districts. These lights are all within close proximity to the parcels within the Districts and have been

identified as receiving local lighting benefit in the Method of Assessment, and as such, provide special benefit to these parcels.

Peripheral streetlight improvements are located outside of the Districts; however, they do benefit parcels within the Districts to some degree.

Specifications for streetlights, traffic signals, and their installation within the Districts are included within a previously executed contract by and between the City and Southern California Edison, a copy of which is available in the Engineering Services Division of the Public Works Department.

The local lighting and peripheral lighting costs assessed in the existing Los Angeles County Streetlight District are not assessed as a part of the Districts identified in this Engineer's Report. Only costs outside the existing Los Angeles County Streetlight District boundaries will be assessed as a part of the Districts.

All streetlight maintenance will be performed by Southern California Edison.[8]

[8] *As detailed in the Annual Engineer's Report, City of Palmdale, Streetlight Maintenance Assessments Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

4. ESTIMATE OF COSTS

Fiscal Year 2026/27 estimated costs of maintenance and servicing the improvements as described in the Plans and Specifications are summarized below. The full itemized budget for the Districts is voluminous and is not bound in this Engineer's Report but by reference is incorporated and made a part of this Engineer's Report. The itemized budget is on file in the Department of Public Works, where it is available for public inspection. The tables below show the budget summary for the Districts.

Streetlight Maintenance Assessment Districts and Annexations Budget Budget Summary, Fiscal Year 2026/27	
Description	**Proposed FY 2026/27 Costs**
Streetlight Maintenance District No. 1 and No. 4	
Direct Maintenance Costs	$67,300
Utility Costs	409,050
Other Costs	833,870
Contribution To/From Reserves	54,192
Fiscal Year 2026/27 Amount to be Assessed	**$1,364,412**
Streetlight Maintenance District No. 2	
Direct Maintenance Costs	$21,930
Utility Costs	92,400
Other Costs	124,390
Contribution To/From Reserves	(41,270)
Fiscal Year 2026/27 Amount to be Assessed	**$197,450**
Streetlight Maintenance District No. 3	
Direct Maintenance Costs	$21,000
Utility Costs	0
Other Costs	101,480
Contribution To/From Reserves	(66,695)
Fiscal Year 2026/27 Amount to be Assessed	**$55,785**
Streetlight Maintenance District No. 5	
Direct Maintenance Costs	$374,680
Utility Costs	1,632,000
Other Costs	2,812,290
Contribution To/From Reserves	(1,264,092)
Fiscal Year 2026/27 Amount to be Assessed	**$3,554,878**
Total Fiscal Year 2026/27 Amount to be Assessed – All Districts	**$5,172,525**

A listing of the Districts containing the total Fiscal Year 2026/27 assessments, number of parcels to be assessed parcels, and the assessment rate per EDU is included in Section 8 of this Engineer's Report.

The following cost descriptions apply to the budget:

DIRECT COSTS

Maintenance Costs/Edison Costs. Labor, Material, and Equipment - Includes all labor, material, and equipment including electricity required to properly maintain and service the streetlight structures and appurtenant facilities within each District. All improvements within the Districts will be maintained and serviced on a regular basis.

Renovation. Repairs that are unforeseen and not normally included in the yearly maintenance cost. This may include repair of damage due to vandalism and traffic accidents. Planned upgrades of the improvements that provide a direct benefit to the Districts may also be included in renovation costs. [9]

UTILITY COSTS

Electricity. The furnishing of electricity required for the operation of the street lighting, applicable to service for the lighting of streets and highways of the lighting equipment and associated facilities.

OTHER COSTS

Personnel/Overhead. The cost of City staff for providing the coordination for Southern California Edison maintenance and servicing, responding to public concerns, and levying and collecting assessments. This includes reimbursement for time spent by Finance and Accounting, the City Attorney, the City Manager, and the Public Works staff.

Consultants. The cost of contracting with professionals to provide services specific to the levy and annual administration.

Professional Fees. These are the costs of contracting with professionals to provide any additional administrative or engineering services specific to the annexation such as the cost to prepare and mail notices of the public meeting and hearing, or preparation of assessment diagrams.

County Administration Fees. The costs charged by the County to place the assessments on the property tax rolls.

[9] *Costs descriptions as detailed in the Annual Engineer's Report, City of Palmdale, Streetlight Maintenance Assessments Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

5. METHOD OF APPORTIONMENT

The following section includes an explanation of the benefits to be derived from the installation, maintenance and servicing of the improvements throughout each District, as well as a description of the assessment methodology used to apportion the total assessment to properties within each District. ***Previous annual Engineer's Reports were prepared by a different engineer of record and language from the prior year Engineer's Report[10] has been referenced to describe the Method of Apportionment within the following section of this report.***[11]

The Districts consist of all assessor parcels within the boundaries as defined by the Assessment Diagram included with this report and the parcels identified by the Assessor Parcel Numbers listed with the included levy roll. The parcel list includes all privately and publicly owned parcels with the boundaries. The method used for apportioning the assessment is based on the proportional special benefits to be derived by the properties in the Districts over and above general benefits conferred on real property or to the public at large. The apportionment of special benefit is a two-step process: the first step is to identify the types of special benefit arising from the improvements, and the second step is to allocate the assessments to property based on the estimated relative special benefit for each type of property.

5.1 Special Benefit

The improvements are expected to confer certain special benefits to parcels within each District. Pursuant to the Prior Engineer's Report, the special benefit conferred to parcel is more fully described as follows:

> *In the Districts, the streetlight and traffic signal improvements are installed by the developers/owners, subdividers of the land. The continued maintenance is guaranteed through the inclusion of the land into a streetlight maintenance district. If the installation of the improvements and the guaranteed maintenance did not occur, the individual lots would not have originated and could not have been sold to any distinct and separate owner. The origination of each distinct and separate lot is a special benefit, which permits the construction of a building or structure on the property and the ownership and sale of the distinct lot in perpetuity.*
>
> *All the lots are established at the same time once the conditions regarding the improvements and the continued maintenance are met. As a result, each lot within the Districts receives a special and distinct benefit from the improvements and to the same degree.*
>
> *Over time, the improvements continue to confer a particular and distinct special benefit upon parcels within the Districts because of the nature of the improvements. The proper maintenance of the streetlights and appurtenant facilities reduces property-related*

[10] *Method of Apportionment and subsections as detailed in the Annual Engineer's Report, City of Palmdale, Streetlight Maintenance Assessments Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020 ("Prior Engineer's Report").*

[11] *Method of Apportionment and subsections as detailed in the Annual Engineer's Report, City of Palmdale, Streetlight Maintenance Assessments Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

crimes, especially vandalism, against properties in the Districts. All of the above-mentioned items also contribute to a specific enhancement to each of the parcels within the Districts.

The *SVTA* decision clarifies that a special benefit is a service or improvement that provides a direct advantage to a parcel and that indirect or derivative advantages resulting from the overall public benefits from a service or improvement are general benefits.

In addition to the special benefits described above (i.e., the origination of each parcel and reduction of crime) the proximate streetlights clearly make each parcel safer, more visible, more accessible, more useful, more valuable and more desirable; and this further strengthens the basis of these assessments.[12]

5.2 General Versus Special Benefit

General benefit is an overall and similar benefit to the public at large resulting from the improvements to be maintained by the assessments levied. Specific language describing the relationship and proportion of Special Benefit versus General Benefit from the Prior Engineer's Report has been included below:

The proceeds from the Districts are used to fund increased levels of maintenance to the Districts' improvements that serve and benefit the properties in the Districts. In the absence of the Districts, such improvements would not be properly maintained. Therefore, the Districts' purpose is to ensure that the necessary and beneficial public facilities for property in the Districts are properly maintained and repaired over time. The assessments will ensure that street lighting and associated improvements within and adjacent to the Districts are functional, well maintained and safe. These public resources directly benefit the property in the Districts and will confer distinct and special benefits to the properties within the Districts. Moreover, the absence of the improvements, a condition of development would not be met and future construction in the Districts could be denied. The creation of individual lots, if any, and the approval for construction in the Districts, is the overriding clear and distinct special benefit conferred exclusively on property in the Districts and not enjoyed by other properties outside the Districts. Therefore, the improvements provide special benefit to property in the Districts over and above the general benefits conferred to the public at large or properties outside the Districts.

Although the improvements maintained by the services may be available to the general public at large, the improvements and services are specifically designed, located and created to provide additional and improved resources for property inside the Districts, and not the public at large. Other properties that are outside the Districts do not enjoy the unique proximity and other special benefit factors described previously. These improvements and services are of special benefit to properties located within the Districts because they provide a direct advantage to properties in the Districts that would not be provided in the absence of the improvements. Any general benefits to surrounding properties outside of the Districts, if any there were, are collateral and conferred concomitantly. [13]

[12] *As detailed in the Annual Engineer's Report, City of Palmdale, Streetlight Maintenance Assessments Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

[13] *As detailed in the Annual Engineer's Report, City of Palmdale, Streetlight Maintenance Assessments Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

5.3 Quantification of General Benefit

Although the Prior Engineer's Report analysis used to support these assessments concludes that the benefits are solely special, as described above, consideration is made for the suggestion that a portion of the benefits are general. General benefits cannot be funded by these assessments – the funding must come from other sources.

The maintenance and servicing of these improvements is also partially funded, directly and indirectly from other sources including the City, Los Angeles County, and the State of California. This funding comes in the form of grants, development fees, special programs, and general funds, as well as direct maintenance and servicing of facilities (e.g. curbs, gutters, streets, drainage systems, etc.). This funding from other sources more than compensates for general benefits, if any, received by the properties within the Districts.

STEP 1 – CALCULATION OF GENERAL BENEFIT

The general benefits from this assessment may be quantified as illustrated in the following table.

Calculation of General Benefit[(1)]

Benefit Factor	Relative Weight	General Benefit Contribution	Relative General Benefit
Improved safety and security lighting for property	5	25%	1.25
Improved ingress and egress to property for vehicular traffic and pedestrians	5	25%	1.25
Creation of individual lots for development or approval of building improvements	90	0%	0
	100		2.5
	Total Calculated General Benefit =		**2.5%**

(1) Per the Prior Engineer's Report.

As a result, the City will contribute at least 2.5% of the total budget from sources other than the assessment. This contribution offsets any general benefits from the improvements and services.

STEP 2 – CALCULATE THE CURRENT GENERAL BENEFIT CONTRIBUTION FROM THE CITY

Pursuant to the Prior Engineer's Report, the overall general benefit contribution is the sum of the following components:

The City owns and maintains local public streets along the border of the Districts' improvements. These public streets provide access to the improvements as well as efficient maintenance. The contribution from the City towards general benefit from the maintenance of local public streets is conservatively estimated to be 1%.

The value of the construction of the improvements can be quantified and monetized as an annuity. Since this construction was performed and paid for by non-assessment funds, this "annuity" can be used to offset general benefit costs and is conservatively estimated to contribute 25%.

Therefore, the total General Benefit is conservatively quantified at 2.5% which is more than offset by the total non-assessment contribution towards general benefit of 26%.

5.4 Method of Assessment

The development of an assessment methodology requires apportioning benefit based upon the relative special benefit for each property. The precise language from the Prior Engineer's Report has been provided below:

> *The Districts' assessments are based on land use so that property owners are assessed in proportion to the benefits received. The land uses defined below are descriptive of all parcels in existence within Districts in Fiscal Year 2009/10. In the event there is a question regarding the land use designation of any parcel in the Districts, the Department of Public Works will be responsible for administratively assigning one of the land uses listed below.*

Land Use Definitions

Land Use Code	***Land Use Description***
RES	*Single family residential parcels that benefit from local lighting*
RES-X	*Single family residential parcels that do not benefit from local lighting*
CONDO	*Condominium or town home parcels that benefit from local lighting*
APT	*Multiple family residential parcels that benefit from local lighting*
APT-X	*Multiple family residential parcels that do not benefit from local lighting*
MH	*Mobile homes that benefit from local lighting*
MH-X	*Mobile homes that do not benefit from local lighting*
NONRES	*Non-residential parcels that benefit from local lighting*
NONRES-X	*Non-residential parcels that do not benefit from local lighting*
VACANT	*Parcels without a building or similar structure that benefit from local lighting*
VACANT-X	*Parcels without a building or similar structure that do not benefit from local lighting*
EXEMPT	*Parcels exempt by law from the assessment, or those parcels that do not benefit for the Districts and Annexations*

Properties that do not benefit from local streetlights are designated with an "X" in the Land Use Code, and are not assessed for local lighting, but are assessed for their share of the costs for peripheral lighting and engineering and incidentals.

Local Lighting Apportionment. *The special benefit from the maintenance, operation, and servicing of local streetlights within the Districts only accrues to those parcels within the Districts located in areas where such lighting is provided. Therefore, parcels outside the Districts and/or without local streetlights are not assessed for the cost of providing such maintenance. Generally, a parcel is determined to have local lighting provided if a streetlight is within approximately 90 feet of the parcel. However, parcels within the Districts, regardless of location, are considered to benefit from such improvements installed within the Districts.*

Regarding local lighting, there exists the core benefit of available lighting for every parcel in the Districts near a streetlight. This "Availability" benefit is apportioned to parcels in the Districts on a per parcel basis. In addition to this benefit, parcels in the Districts benefit from improved safety related to the parcel itself ("Safety to Property").

Safety to Property. *The Safety to Property benefit results in a special benefit to both residential and vacant non-developable parcels because local lighting maintenance, operation, and servicing provides for the protection of buildings and personal property against crime such as theft and vandalism. The Safety to Property benefit is apportioned to properties in the Districts based on relative property size as available from the City of Palmdale Planning Department.*

Local Traffic Signal Apportionment*. The special benefit from the maintenance, operation, and servicing of local traffic signals, including highway safety lights mounted on the traffic signals within the Districts is similar to the streetlights. However, traffic signals are typically installed outside of the development and therefore benefit the general public.*

Traffic signals are installed as a result of the increased traffic generated by the development. There is no safety to property benefit as a result of the traffic signals. Therefore, the determination of benefit for traffic signals will use the same table as streetlights without the safety to property component.

The following Table - Local Lighting Benefit Factors shows the breakdown of the benefit points assigned to each land use for those properties located in District Nos. 1 through 4.

Local Lighting Benefit Factors

Land Use Description	*Safety Benefit*	*Availability Benefit*	*Total Equivalent Dwelling Units (EDUs)*
Single Family Residential (SFR)	*0.75/unit*	*0.25/parcel*	*1.00 EDU/parcel*
Condominium	*0.55/unit*	*0.25/parcel*	*0.80 EDU/parcel*
Multi-family up to 20 units	*0.54/unit*	*0.25/parcel*	*0.54 EDU/unit + 0.25 EDU/parcel*
Multi-family more than 20 units	*0.45/unit + 1.80/parcel*	*0.25/parcel*	*0.45 EDU/unit + 2.05 EDU/parcel*
Mobile Home up to 20 units	*0.33/unit*	*0.25/parcel*	*0.33 EDU/unit + 0.25 EDU/parcel*
Mobile Home more than 20 units	*0.20/unit + 2.60/parcel*	*0.25/parcel*	*0.20 EDU/unit + 2.85 EDU/parcel*
Nonresidential	*2.50/acre*	*1.50/acre*	*4.00 EDU/net acre*
Vacant	*0.25/parcel*	*0.25/parcel*	*0.50 EDU/parcel*

An EDU (Equivalent Dwelling Unit) is used as a way to relate dissimilar land uses such as commercial and residential. As an example, one acre of commercial is approximately equal to 4 residential parcels.

Peripheral Streetlights/Traffic Signals Apportionment. *All parcels in the Districts receive a special benefit from the installation, maintenance, operation, and servicing of safety lighting and streetlights, and traffic signals on peripheral streets located outside of the Districts. The peripheral lighting, traffic signals, safety lighting and capital improvements (Arterial Lighting) are provided throughout the City and all properties in the Districts may easily access these improvements. In contrast to the Local Lighting, Peripheral Lighting benefits properties primarily because the properties are provided safe peripheral street access. Therefore, Peripheral Lighting benefits will be apportioned to parcels in the Districts on a per unit basis taking into account demographic population information.*

Vacant properties, which have no people residing on the property, also benefit from Peripheral Lighting because of the convenience associated with emergency vehicle access and other traffic that must use the arterial streets to service the vacant properties in the Districts. Therefore, vacant parcels are assigned a per parcel benefit point. Vacant parcels are assigned benefit points based on the core benefit attributable to every assessable parcel in the Districts from Peripheral Lighting of 0.25 benefit points per parcel.

The following Table - Peripheral Lighting Benefit Factors shows the breakdown of the benefit points assigned to each land use for all assessable property in the Districts.

Peripheral Lighting Benefit Factors

Land Use Description	***Total Benefit Points***
Single Family Residential (SFR)	*1.00 EDU/parcel*
Condominium	*0.85 EDU/parcel*
Multiple Family	*0.95 EDU/parcel*
Mobile Home	*0.40 EDU/unit*
Nonresidential	*1.00 EDU/7,200 square feet (parcel size)*
Vacant	*0.25 EDU/parcel*

The following Table – Local Traffic Signal Benefit Factors shows the breakdown of the benefit points assigned to each land use for all assessable property in the Districts.

Local Traffic Signal Benefit Factors

Land Use Description	***Total Benefit Points***
Single Family Residential (SFR)	*0.75 EDU/parcel*
Condominium	*0.68 EDU/parcel*
Multiple Family	*0.45 EDU/parcel + 0.25 per parcel*
Mobile Home	*0.20 EDU/unit + 0.25 per parcel*
Nonresidential	*2.50 EDU/acre*
Vacant	*0.25 EDU/parcel*

Peripheral streetlights and traffic signals will remain peripheral until such time as they fall within the Districts. At such time, the streetlight or traffic signal will be removed from the peripheral inventory and placed within the Districts local lighting inventory. The total assessment for a parcel is thus a combination of the local lighting, traffic signals, and peripheral lighting benefit factors. Each element (local streetlights, local traffic signals, and peripheral improvements) will be determined individually.

Local Streetlights. *Assessments for local street lighting will be determined using factors from the Table - Local Lighting Benefit Factors and the current EDU assessment rate to maintain local streetlights within each individual District.*

Peripheral Improvements. *Assessments for peripheral improvements will be determined using factors from the Table - Peripheral Lighting Benefit Factors and the current EDU assessment rate to maintain these peripheral improvements throughout the Districts.*

Local Traffic Signals. *Assessments for local traffic signals will be determined using factors from the Table - Local Traffic Signal Benefit Factors and the current EDU assessment rate to maintain traffic signals within each individual District.*

5.5 Assessment District No. 5 Benefit Factors

Starting with Fiscal Year 2014/15, the City took over the administration of the streetlight assessments and the maintenance of the streetlight improvements within Streetlight Assessment District No. 5 consisting of approximately 32,800 parcels of residential and non-residential developments located throughout the City that were previously covered under the Los Angeles County Lighting Maintenance District No. 1616 (CLMD 1616). Los Angeles County administered the streetlights assessments and managed the streetlights improvements up to Fiscal Year 2013/14.

District No. 5 was formed to provide for the financing of streets lights within District No. 5 boundaries after receiving approval by property owners in 2003. District No. 5 method of assessment assigns benefit units according to the Los Angeles County land use codes, as shown in the following table.

District No. 5 Benefit Factors

Use Code	Use Code Description	Benefit Units
01XX	SINGLE RESIDENCE	1.00
02XX	DOUBLE, DUPLEX, OR TWO UNITS	2.00
03XX	THREE UNIT SINGLE RESIDENCES	2.50
04XX	FOUR UNIT SINGLE RESIDENCE	3.50
05XX	FIVE UNITS OR MORE SINGLE RESIDENCES	4.00
06XX	MODULAR HOMES	1.00
07XX	MOBILE HOMES	1.00
08XX	ROOMING HOUSES	4.50
09XX	MOBILE HOME PARKS	8.00
10XX	COMMERCIAL	0.00
11XX	STORES	4.00
12XX	STORE AND OFFICE COMBINATIONS	4.00
13XX	DEPARTMENT STORES	8.00
14XX	SUPERMARKETS	8.00
15XX	SHOPPING CENTERS (NEIGHBORHOOD, COMMUNITY)	6.50
16XX	SHOPPING CENTERS (REGIONAL)	6.50
17XX	OFFICE BUILDINGS	3.00
18XX	HOTEL AND MOTELS	8.00

District No. 5 Benefit Factors

Use Code	Use Code Description	Benefit Units
19XX	PROFESSIONAL BUILDINGS	3.00
20XX	COMMERCIAL	0.00
21XX	RESTAURANTS, COCKTAIL LOUNGES, TAVERNS	5.00
22XX	WHOLESALE AND MANUFACTURING OUTLETS	6.50
23XX	BANKS, SAVINGS AND LOANS	3.00
24XX	SERVICE SHOPS (ELECTRIC REPAIR, PAINT SHOP, LAUNDRY)	3.00
25XX	SERVICE STATIONS - FULL SERVICE	4.00
26XX	AUTO SERVICE SHOPS (BODY & FENDER COMMERCIAL GARAGE)	6.00
27XX	PATRON OR EMPLOYEE PARKING LOTS (COMMERCIAL USE PROPERTIES)	2.50
28XX	ANIMAL KENNELS	2.00
29XX	NURSERIES OR GREENHOUSES	2.00
30XX	INDUSTRIAL	0.00
31XX	LIGHT MANUFACTURING PLANTS/SHOPS	5.00
32XX	HEAVY MANUFACTURING PLANTS	6.50
33XX	WAREHOUSING, DISTRIBUTION, STORAGE (UNDER 10,000 SQ FT)	5.00
34XX	FOOD PROCESSING PLANTS	5.00
35XX	MOTION PICTURE, RADIO, AND TELEVISION INDUSTRIES	6.50
36XX	LUMBER YARDS	3.00
37XX	MINERAL PROCESSING PLANTS	5.50
38XX	PARKING LOTS (INDUSTRIAL USE PROPERTIES)	2.00
39XX	OPEN STORAGE	5.50
40XX	IRRIGATED FARMS	0.00
41XX	IRRIGATED FRUITS AND NUTS ORCHARDS	1.00
42XX	IRRIGATED VINEYARDS	1.00
43XX	IRRIGATED VINE AND BUSH FRUIT FARMS	1.00
44XX	IRRIGATED TRUCK CROPS	1.00
45XX	IRRIGATED FIELD CROPS	1.00
46XX	IRRIGATED PASTURE	1.00
47XX	IRRIGATED DAIRY FARM	1.00
48XX	POULTRY FARMS	1.00
49XX	FEED LOTS	1.00
50XX	DRY FARMS	0.00
51XX	DRY FRUITS AND NUTS ORCHARDS	1.00
52XX	DRY VINEYARDS	1.00
53XX	DRY FIELD CROPS	1.00
54XX	DRY PASTURE	1.00
55XX	DRY TIMBERLANDS - PINE	1.00
56XX	DRY TIMBERLANDS - FIR	1.00
57XX	DRY TIMBERLANDS - REDWOOD	1.00
58XX	DESERT LANDS	1.00
59XX	WASTE LANDS	1.00
60XX	RECREATIONAL	0.00
61XX	INDOOR MOVIE THEATRES	5.00
62XX	WATER RECREATION	0.00
63XX	BOWLING ALLEYS	8.00
64XX	CLUBS, LODGES, FRATERNAL ORGANIZATIONS	4.00
65XX	ATHLETIC AND AMUSEMENT FACILITIES	6.50
66XX	GOLF COURSES	3.00
67XX	RACE TRACKS	3.00
68XX	CAMPS	3.00
69XX	ICE SKATING RINK	8.00
70XX	INSTITUTIONAL	0.00
71XX	CHURCHES	2.00
72XX	SCHOOLS (PRIVATE)	2.00
73XX	COLLEGES, UNIVERSITIES (PRIVATE)	6.50

District No. 5 Benefit Factors

Use Code	Use Code Description	Benefit Units
74XX	HOSPITALS	6.50
75XX	HOMES FOR AGED AND OTHERS	3.00
76XX	SENIOR DAY CAE	0.00
77XX	CEMETERIES, MAUSOLEUMS, MORTUARIES	1.00
78XX	INSTITUTIONAL – OPEN	0.00
79XX	INSTITUTIONAL – OPEN	0.00
80XX	MISCELLANEOUS	0.00
81XX	COMMERCIAL & MUTUAL UTILITY: PUMPING PLANTS, STATE ASSESSED	2.00
82XX	MINING	0.00
83XX	PETROLEUM AND GAS	2.00
84XX	PIPELINES AND CANALS	0.00
85XX	RIGHTS-OF-WAY	0.00
86XX	WATER RIGHTS	0.00
87XX	RIVERS AND LAKES	0.00
88XX	GOVT OWNED PROPERTY - OPEN	0.00
89XX	DUMP SITES	1.00

5.6 Cost of Living Inflator

Annually, the amount of assessments for the Districts may be increased, based upon the Consumer Price Index, All Urban Consumers, for Los Angeles-Long Beach-Anaheim Area ("CPI"), as determined by the United States Department of Labor, Bureau of Labor Statistics, or its successor. The Assessment Engineer shall compute the percentage difference between the CPI for February of the current year and the CPI for the previous February and shall then adjust the existing assessment by an amount not to exceed such percentage for the following fiscal year. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the Assessment Engineer shall use the revised index or a comparable system as approved by the City Council for determining fluctuations in the cost of living.

The increase of the assessment for Annexation Nos. 186 & 203 may not exceed 3%.

Alternatively, Assessment Districts Nos. 1, 2, 3, and 4 may use the Southern California Edison and California Public Utilities Commission (CPUC) approved rates for each light fixture adjustment schedule as the basis for adjustment of the annual rates. As a result, the assessment may be continued to be levied annually and may be increased by up to the maximum annual CPI adjustment (or CPUC adjustment for Assessment Districts Nos. 1, 2, 3, and 4), without any additional assessment ballot proceeding. Further, in the event that in future years the assessments are levied at a rate less than the maximum authorized assessment rate, the assessment rate in a subsequent year may be increased up to the maximum authorized assessment rate without any additional assessment ballot proceeding. [14]

For Fiscal Year 2026/27, the maximum authorized assessment rates for the Districts (except Annexation Nos. 186 & 203) are increased by 2.93%, based on the increase of the February 2025 to February 2026 CPI, for All Urban Consumers in the Los Angeles-Long Beach- Anaheim Area, of 2.93%. The maximum authorized assessment rates for Annexation Nos. 186 & 203 for Fiscal Year 2026/27 is 3.00%.

[14] *As detailed in the Annual Engineer's Report, City of Palmdale, Streetlight Maintenance Assessments Districts and Annexations, Fiscal Year 2020/21 dated April 2020 and approved by City Council on June 2, 2020.*

5.7 Fiscal Year 2026/27 Maximum Assessment

The Fiscal Year 2026/27 maximum authorized assessment rates for the Districts are included in Section 8 of this Engineer's Report.

5.8 Duration of Assessment

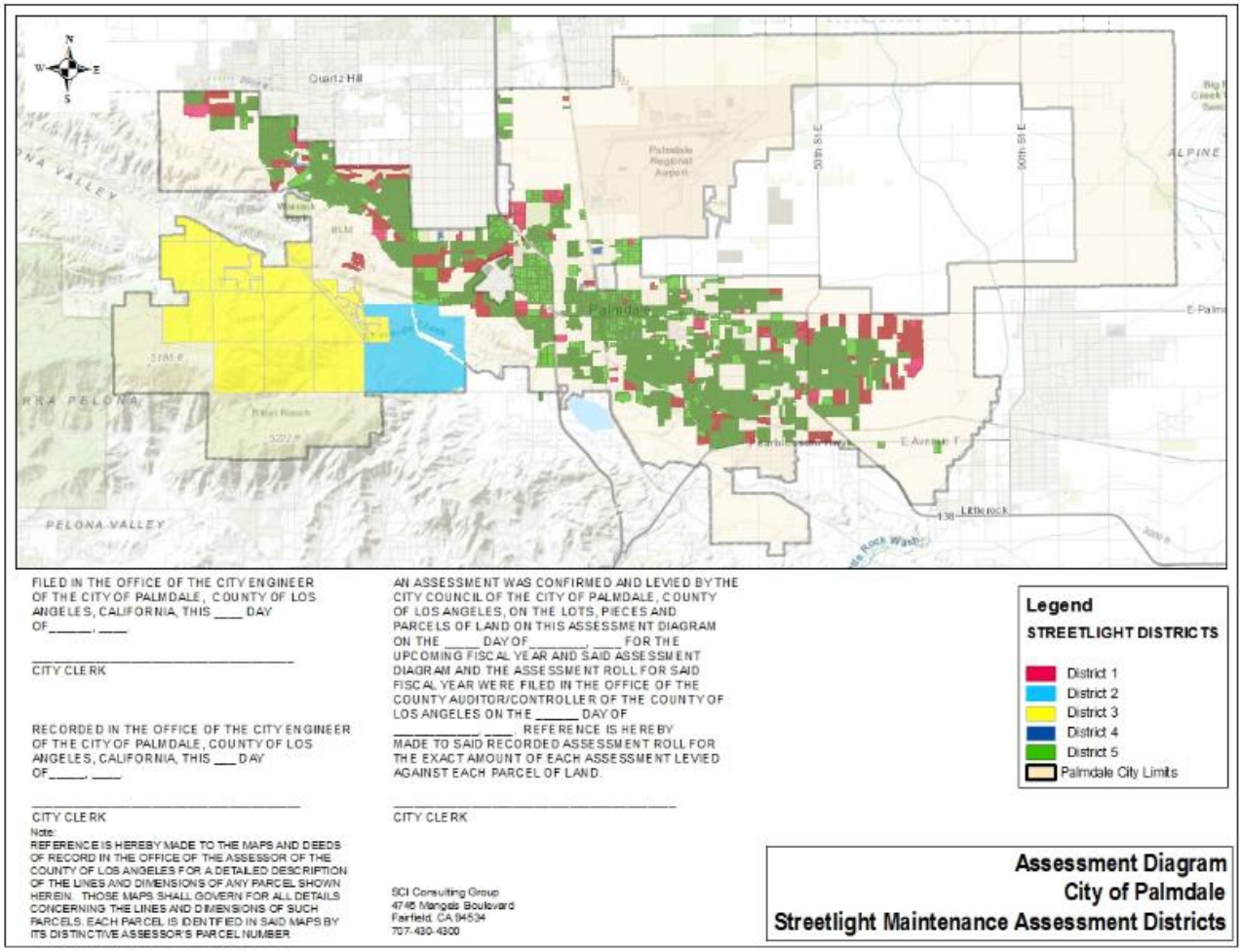
The Districts were formed or annexed in previous years. It is proposed that the assessments be continued every year after their formation or annexation, so long as the public improvements need to be maintained and improved, and the City requires funding from the assessments for these improvements in each District. As noted previously, the assessment can continue to be levied annually after the City Council approves an annually updated Engineer's Report, budget for the assessment, improvements to be provided, and other specifics of the assessment. In addition, the City Council must hold an annual public hearing to continue the assessment.

5.9 Appeals and Interpretation

Any property owner who feels that the assessment levied on the subject property is in error, as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the City of Palmdale Public Works department. Any such appeal is limited to correction of an assessment during the then current fiscal year or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the City of Palmdale Public Works Engineer or his or her designee will promptly review the appeal and any information provided by the property owner. If the City of Palmdale Public Works Engineer, or her or his designee, finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the City of Palmdale Public Works Engineer or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the City of Palmdale Public Works Engineer or her or his designee shall be referred to the Director of Public Works of the City of Palmdale, and the decision of the Director of Public Works of the City of Palmdale shall be final.

6. ASSESSMENT DIAGRAM

The boundaries of the Districts are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Districts and Annexations are those lines and dimensions shown on the maps of the County Assessor of the County of Los Angeles, at the time this Engineer's Report was prepared, and are incorporated by reference herein and made part of this report.



7. STREETLIGHT MAINTENANCE DISTRICTS

The lights maintained for each District are shown in the table below.

District	Tract/ Parcel Map	Land Use	General Location	Net Commercial Acreage	Total Light Count	Traffic Signals Hwy Lights	Peripheral Lights
District No. 1							
2002-001	PM 25755	Com	Ave S and 47th St East	32.44	10	0	0
2002-002	45217, 46193, 46194	Res	35th St East & Fairfield	0.00	0	0	0
2002-003	49016-02 & 03	Res	30th St West & Club Rancho Dr.	0.00	42	0	0
2002-004	47935	Res	Rancho Vista Blvd & Ave O-8	0.00	67	0	0
2002-005	47115, 47116, 47117, 44544	Res	SW Corner of Ave R-8 & 65th St East	0.00	78	0	0
2002-006	52142-03	Res	Ave P-8 and 30th St West	0.00	68	0	0
2002-007	45573	Res	Ave P-4 and 20th St West	0.00	13	0	0
2002-008	46602	Res	SW Corner of Ave N-8 and 55th St West	0.00	0	0	0
2002-009	51989	Res	Ave N and 50th St West	0.00	4	0	0
2002-010	45566	Res	55th St West	0.00	0	0	0
2002-011	46394-01	Res	Rancho Vista Blvd and Ave O-8	0.00	27	0	0
2002-012	53522	Res	SW Corner of Ave M-12 and 55th St West	0.00	0	0	0
2002-013	49016-04	Res	Ave N-8 and 30th St West	0.00	20	0	0
2002-014	44402	Res	Ave R-11 and 57th St East	0.00	19	0	0
2002-015	52142-1 & 2	Res	NW Corner of Ave P-8 and 25th St West	0.00	80	0	0
2003-016	48014-01 & 02	Res	Ave P-8 and Summerwind	0.00	53	0	0
2003-017	43689, 43690 & 43691	Res	Rancho Vista Blvd and 11th St West	0.00	86	0	0
2002-018	51505	Res	SE Corner of Ave P-8 and 20th St West	0.00	41	0	0
2002-019	PM 26593	Com	SW Corner of Ave O-8 and 10th St West	38.77	10	0	0
2003-020	Albertson's/PM 26612	Com	Ave N and 50th St West	18.25	10	0	0
2002-021	49016-05	Res	SW Corner of Ave N-8 and 30th St West	0.00	25	0	0
2002-022	49016-08, 09	Res	SE Corner of Ave N-8 and Bolz Ranch Rd	0.00	49	0	0
2003-023	AVUHSD	N-Res	N of Ave S and W of 70th St East	51.62	23	0	0
2003-024	Palmdale School District	N-Res	S of Ave Q and E of 22nd St East	4.62	3	0	0
2002-025	53855, 54806	Res	Ave P-8 and 20th St West	0.00	36	0	0
2003-026	Kaiser Medical	Com	Ave S and 45th St East	15.16	11	0	0
2003-027	52490	Res	55th St West	0.00	13	0	0
2003-028	37560 Sierra Hwy/ Secure Mini-Storage	Comm	37560 Sierra Hwy	3.95	4	0	0
2003-029	49016-07	Res	Bolz Ranch Rd (golf course)	0.00	18	0	0
2003-030	44893	Res	SE Corner of Ave S and 52nd St East	0.00	52	0	0
2003-031	46036	Res	Fairway Dr and Hook St	0.00	6	0	0
2003-032	PM 26721	Comm	SW Corner of Ave O-8 and 10th St West	6.81	8	0	0
2003-033	48847	Res	SW Corner of Ave S-12 and 37th St East	0.00	34	0	0
2003-034	7672/ 17th St. E. & Ave. Q	Comm	NW Corner of Ave Q and 17th St East	4.48	5	0	0
2003-035	PM 26990/ Amargosa Commons	Comm	SW Corner of Rancho Vista Blvd and 10th St West	17.40	9	0	0
2003-036	Ana Verde School	N-Res	Ave R and Division	15.34	9	0	0
2003-037	45218-01	Res	30th St East and Railroad	0.00	54	0	0
2003-038	53608	Res	NW Corner of Ave S-12 and 30th St East	0.00	26	0	0
2003-039	46710	Res	Ave R-12 and 25th St East	0.00	19	0	0
2003-040	Esperanza School	N-Res	35th St West and Town Center Dr	10.51	5	0	0
2003-041	49016-06	Res	Club Rancho Drive and Champion	0.00	10	0	0
2003-042	46597	Res	SW Corner of Ave S-8 and 40th St East	0.00	30	0	0
2004-043	53869	Res	NE Corner of Ave Q-8 and Tierra Subida	0.00	36	0	0
2003-044	CUP 03-30/ Iglesia de Cristo Miel	N-Res	West side of 17th St East between Aves Q-14 and Q-15	1.05	5	0	0

District	Tract/ Parcel Map	Land Use	General Location	Net Commercial Acreage	Total Light Count	Traffic Signals Hwy Lights	Peripheral Lights
2003-044	CUP 03-30/ Iglesia de Cristo Miel	Comm	1675 E Avenue Q15	3.42	6	0	0
2004-045	Ponderosa School	N-Res	NW Corner of Pearblossom Hwy and 37th St East	12.80	10	0	0
2004-046	53857	Res	NW Corner of Bolz Ranch Rd and Sawgrass Dr	0.00	36	0	0
2004-047	53199	Res	NW Corner of Ave R and 60th St East	0.00	71	0	0
2004-048	60053	Res	NW Corner of Ave R and 40th St East	0.00	48	0	0
2004-049	Fairway BP	Comm	SW Corner of Ave O and Division St	55.18	61	0	0
2004-050	60070	Comm	Sierra Hwy between Ave R-8 and Ave S	7.14	6	0	0
2004-051	Granite Hills School	N-Res	SW Corner of Ave R-8 and 67th St East	9.29	5	0	0
2004-052	54058-01 & 02	Res	SE Corner Ave P-8 and 25th St West	0.00	101	1	0
2004-053	54075	Res	NW Corner Ave N-8 and 55th St West	0.00	11	0	0
2004-054	52489	Res	NE Corner Ave N-8 and 55th St West	0.00	16	0	0
2004-055	54399	Res	NE Corner Ave P-6 and 25th St West	0.00	42	0	0
2004-056	PM 60501	Comm	NE Corner Ave Q-8 and 5th St West	13.65	0	0	0
2004-057	60462	Res	Bolz Ranch Rd and Homeridge Dr	0.00	18	1	12
2004-058	53990	Res	Paradise Dr from Aves M-8 to M-12	0.00	12	0	0
2004-059	54383	Res	25th St East and Turner Dr	0.00	34	0	0
2004-060	52200 01 & 02	Res	W of Ave P-12 and 30th St West	0.00	125	0	0
2004-061	PM 27019	Comm	SE Corner of Ave O-4 and 10th St West	38.64	25	2	0
2004-062	54226	Res	SW Corner of Palmdale Bl and 60th St East	0.00	34	0	0
2004-063	60745	Res	SW Corner of Palmdale Bl and 58th St East	0.00	14	0	0
2004-064	53221	Res	NW Corner of 40th St East 300 feet N of R-6	0.00	36	0	0
2004-065	49147-01	Res	NW Corner of Ave R and 70th St East	0.00	59	0	0
2004-066	49147-02	Res	NW Corner of Ave R and 70th St East	0.00	10	0	0
2004-067	49147-03	Res	NW Corner of Ave R and 70th St East	0.00	22	0	0
2004-068	53067	Res	SW Corner of Palmdale Blvd and 55th St East	0.00	35	0	0
2004-069	60954	Res	SE Corner of Palmdale Blvd and 50th St East	0.00	42	0	13
2004-070	60926	Res	NW Corner of Ave R and 40th St East	0.00	20	0	11
2004-071	53921	Res	Whitecliff Street and Crane Court	0.00	20	0	0
2004-072	46755	Res	NE Corner Ave R-8 and 60th St E	0.00	10	0	0
2004-073	60128	Res	Rockie Lane Ave R-8 to Ave S	0.00	2	0	0
2004-074	060028 01 & 02	Res	SE corner of Ave R and 70th st East	0.00	2	0	0
2004-075	46757	Res	Palmdale Blvd, 65th St East, Ave R	0.00	160	0	0
2004-076	54339	Res	SE Corner of Ave M and 70th St West	0.00	62	0	0
2004-077	53920	Res	Fort Tejon Road N of SP RailRoad (50th East)	0.00	89	0	0
2005-078	National Storage	Com	NW Corner of Palmdale Bl and 35th St East	4.30	3	0	0
2005-079	44543	Res	SE Corner of Russ Place and 55th St East	0.00	22	0	0
2005-080	60588	Res	37th St E and San Antonio Dr	0.00	6	0	0
2005-082	52921	Res	SW Corner of Ave S and 60th St East	0.00	73	0	0
2005-083	61699	Res	Ave S2 and Julian Lane	0.00	15	0	0
2005-084	17042/ P-14 @ 6th Street E	Res	Ave P14 and 6th St East	0.00	8	0	0
2005-085	54301-01	Res	NE Corner of Ave M-8 and 70th St West	0.00	66	0	0
2006-086	60209	Res	70th and M	0.00	41	0	0
2005-087	61770	Res	SE Corner of Avenue S and Hillcrest Drive	0.00	22	0	0
2005-088	PM 23981/ Tommy's Burger	Com	Rancho Vista at Hwy 14	0.42	2	0	0
2005-089	54301	Res	NW Corner of Ave M-8 and 67th St West	0.00	72	0	0
2005-090	Palmdale Hospital	Com	Tierra Subida and Palmdale Blvd	29.66	16	0	0
2005-091	54209	Res	NE Corner of Ave R and 35th St East	0.00	51	0	0
2005-092	CUP 00-01/ Highland Church	Com	NW Corner of Rancho Vista Blvd and 20th St west	9.04	14	0	0
2005-095	60789	Res	SW Corner of Ave S-4 and 40th St East	0.00	7	0	0
2005-096	52029	Res	NW Corner of Pearblossom Hwy and 50th St East	0.00	45	0	0
2005-097	46356	Res	NW Corner of Pealblossom Hwy and 47th St East	0.00	56	0	0
2005-098	46394	Res	South of Rancho Vista between Cricket Lane and Ave O8	0.00	0	0	0
2005-099	46454	Res	SW Corner of 15th St West and Elizabeth Lake Road	0.00	79	0	0

District	Tract/ Parcel Map	Land Use	General Location	Net Commercial Acreage	Total Light Count	Traffic Signals Hwy Lights	Peripheral Lights
2005-100	CUP 03-02/ Tom's #27	Comm	S of Ave R, W of 47th St East	4.03	6	0	0
2005-101	62020	Res	Ave S and Downing Street	0.00	30	0	0
2005-102	49147-04	Res	Aver R, 65th St E to 70th St E	0.00	21	0	0
2005-103	49147-05	Res	Aver R, 65th St E to 70th St E	0.00	20	0	0
2005-104	49147-06	Res	Aver R, 65th St E to 70th St E	0.00	31	0	0
2005-105	62695	Res	Ave N-8 and Entar Drive	0.00	26	0	0
2005-106	52806	Condo	25th and 27th East approx 600 feet south of Palmdale Bl	0.00	24	0	0
2006-107	PM 62432	N-Res	South side of Rancho vista Blvd, West of Delson Drive	4.80	6	0	0
2006-108	SPR 5-04-1/ Vlm 145 Twin Palms Apt.	M-Fam	N of Ave Q4, E of 11th St East	0.00	11	0	0
2006-109	61488	Res	North of Ave R-6, West of 30th St East	0.00	13	0	0
2006-110	61610	Res	south of Palmdale Bl, west of 58th St East	0.00	16	0	0
2006-111	61611/61981	Res	north of Ave S, east of 65th East	0.00	40	0	0
2006-113	CUP 05-10/PM 62693	Comm	NE corner of Rancho Vista Blvd and Fairway Dr	3.64	6	0	0
2006-114	60511	Res	S of Avenue R, E of 40th St E	0.00	19	0	0
2006-115	62068	Res	North of Ave S and East of Rockie Lane	0.00	27	0	0
2006-116	54058-03	Res	SE Corner Ave P-8 and 25th St West	0.00	46	0	0
2006-117	60408	Res	south of Avenue M-12; west of 52nd St West	0.00	35	0	0
2006-119	Desert Willow School	N-Res	South of Ave S-8; east of 60th St East	18.00	16	0	0
2006-120	United Fellowship Church	Church	North of Ave R-12; west of 25th St East	9.87	5	0	0
2006-121	60431	Res	South of Columbia Way; west of 70 St West	0.00	130	0	0
2006-122	62974	Res	South of Ave Q and East of 40th St East	0.00	44	0	0
2006-123	51224	Res	So uth of Spanish Broom Dr between Firethorn Ave & Waltham Pl	0.00	60	0	0
2007-124	51451, & 51451-01	Res	N of Union Pacific rof W of Fort Tejon, E of 47th S E	43.16	94	0	0
2006-125	SPR 10-04-1	Comm	West side of 10th West 150 N. of Ave O8	5.75	9	0	0
2006-126	CUP 05-19	Comm	N Side of Ave S 300 ft wesdt of 47th St East	5.55	2	0	0
2006-127	53342	Res	West of Tilbury Dr and NW or Rancho Vista Blvd	0.00	36	0	0
2006-128	47510	Res	S of Ave R, E of Tackstem St	0.00	4	0	0
2006-129	63008	Res	636' s of Palmdale Bl, E of Chapelle St	0.00	12	0	0
2006-130	62213	Res	N of Ave S-4, W of 42nd Street East	0.00	21	0	0
2006-131	School	N-Res	26Th St E and 29th St E Ave R-10 and Ave R-12	12.52	13	0	0
2006-132	61045	Res	S of Palmdale Blvd West of 52nd Street East	0.00	47	0	0
2006-133	61941	Res		0.00	0	0	0
2006-134	61443	Res	N of Q4, East of 22nd Street East	0.00	9	0	0
2006-135	SPR 12-05-1/ Jonan Property Rancho Vista&12E	Comm	S of Rancho Vista Bl, E of 12th St E	9.57	10	0	0
2006-136	Professional Center	Comm	NW corner 10th St West and Avenue O-8	1.60	3	0	0
2006-137	SPR 4-06-6 Cielo Azul Senior Apts.	M-Fam	N or Avenue R, E of 27th st E	0.00	3	0	0
2006-139	49215	Res	S of Ave S-8, W od 42nd St E	0.00	2	0	0
2006-140	62490/66868	Condo	Corner of Rancho Vista Blvd & Extension of Tilbuty Dr	0.00	27	0	0
2007-141	PM 66322	Comm	N of Avenue R, W of 47th Street E	46.68	31	0	0
2007-143	62371	Res		0.00	0	0	0
2007-144	54058-4	Res	S of Ave P-8, W of 20th St. W	0.00	36	0	0
2007-145	50871	Res	NW Corner, Union Pacific and 60th St E	0.00	57	0	0
2007-146	CUP 05-30/Rite Aide	Comm	E of 47th St E, S of Ave R	4.69	6	0	0
2007-147	60162	Res	east of 60th St E, south of Tr 45705, W of Rockie Lane	0.00	7	0	0
2007-148	SPR 7-06-2	Comm	northeast corner of 30th St East and Ave R	0.00	8	0	0
2007-149	SPR 11-06-2	Comm	south of Palmdale Blvd 300ft E of 5th St E	1.94	4	0	0
2008-150	63412	Res	NE Corner of Ave. R and 60th St East	0.00	25	0	0
2008-151	PM 65044	Comm	NEC of Avenue S and 40th St. East	12.63	10	0	0

District	Tract/ Parcel Map	Land Use	General Location	Net Commercial Acreage	Total Light Count	Traffic Signals Hwy Lights	Peripheral Lights
2008-152	GD 07-66/ Northrop Grumman Federal CU	Comm	41943 Sierra Highway	5.11	4	0	0
2008-153	51451-02	Comm		0.00	0	0	0
2009-154	PM 69766/CUP 07-18	Comm	NEC of Avenue R and 47th St. East	12.54	10	0	0
2019-186	TR. 73740 Homes 4Famlies	Res	SEC of Division Street & Taintor Road	0.00	11	0	0
District No. 4							
2010-155	PM 070794/Gregg Anderson School	Comm/ Sch	Avenue N-8 / Rancho Vista Blvd	18.15	20	0	0
2010-156	18659/ AutoZone	Comm	North of Palmdale Blvd, South of Ave Q-7 & 31ST ST E	0.98	2	0	0
2012-157	7670-All Parts Auto Recycling	Comm	between 8th Street East & Sierra Hwy	18.49	6	0	0
2011-158	Vulcan Materials	Light Ind	along E Ave T, east of 70th St E	160.70	14	0	0
2013-159	David G.Millen Interm School	Comm/ Sch	N side of W Ave P-8, bw 23rd St W & 22nd St W	16.39	16	0	0
2012-160	1st United Methodist Church	Comm/ Chu	NE corner of Rancho Vista Blvd & 25th St W	11.56	10	0	0
2012-161	69008/ Palmdale TOD Apts	M-Fam	N of Ave Q bw 3rd St E & 6th St E	0.00	13	0	0
2012-162	Cruz Thru Carwash	Comm	39315 10th St W	1.32	1	0	0
2013-163	O'Reilly Automotive Stores	Comm	SE corner of E Palmdale Blvd & 12th St E	0.90	3	0	0
2013-164	AV Recycling	Light Ind	along Ave R-5 west of Tierra Subida	184.94	19	0	0
2013-165	66204-ALTA Community	Res	N side of AveR-8 bw 57th St E & Segovia Way	0.00	5	0	0
2013-166	Rancho Vista Market	Comm	3875 W. Rancho Vista Blvd.	9.31	10	0	0
2014-167	Family Dollar	Comm	3157 E Palmdale Blvd	0.97	1	0	0
2014-168	72222--Arco AM/PM	Comm	41155 10th St W	1.94	2	0	0
2015-169	68181	Res	north side of Ave S-4, bw Sylvam St & 45th St E	0.00	3	0	0
2015-170	APN 3008-037-063 (38461 10th St E)/ Congregation of Jehovah's Witnesses	Comm/ Chu	38461 10th St E	2.66	3	0	0
2016-172	APNs 3204-022-901,-903,-908,-909/ AVEK	Light Ind	6500 W Avenue N	21.48	2	0	0
2019-173	APN 3020-004-095/ Aerospace Academy	Comm	3300 East Palmdale Blvd	15.36	14	0	0
2017-174	APNs 3009-024-935,-936 / Courson Arts Colony	MFR	Ave Q-2, bw 9th St E and 10th St E	0.00	1	0	0
2017-175	APNs 3020-001-036 & -037/ Guidance Charter School	Comm	East Avenue R & 40th Street East	30.46	16	0	0
2017-178	portion of APN 3021-030-007/ Tractor Supply	Comm	3747 East Palmdale Blvd	3.83	7	0	0
2017-180	APN 3021-030-036	Comm	3851 E Palmdale Blvd NE corner of E Palmdale Blvd & 40th St	1.72	8	0	0
2019-184	Tract 73401 (APN 3015-011-035)	MFR	SE corner of E Ave Q, north of E Ave Q3, E of Orchird View Pla	0.00	13	0	0
2020-193	Edwards Federal Credit Union	Comm	39963 10th Street West	1.61	1	0	0

District No. 2							
2004-800	Anaverde	Res/ Comm	Avenue S	40.00	0	0	0
2012-801	61895-01	School/ Res	South of Avenue S and Greenbrier Street	10.54	10	0	0
District No. 3							
2006-900	Ritter Ranch	Res/ Comm	Elizabeth Lake Road	57.00	0	0	0
District No. 5							
91616	throughout the City	all types	throughout the City	951.51	14,299	0	0
Totals:				**2,167.87**	**18,592**	**4**	**36**

8. ASSESSMENT ROLL

Assessor's parcel identification, for each lot or parcel subject to the assessment, shall be based on the County Assessor's secured roll data for the applicable year in which this report is prepared and is incorporated herein by reference.

A listing of assessor's parcels subject to the assessments for Fiscal Year 2026/27, along with the assessment amounts, is on file in the office of the City Clerk[15] and incorporated herein by reference. Based on County Assessor's secured roll data, current assessor's parcels, including corrected and/or new assessor's parcels, will be submitted and/or resubmitted to the County Auditor/Controller. The annual assessment amount to be levied and collected for the resubmitted parcel(s) shall be determined in accordance with the method of apportionment and assessment rate approved in this report. Therefore, if a single assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the charge amounts applied to each of the new assessor's parcels shall be recalculated and applied according to the approved method outlined in the method of apportionment and assessment rate rather than a proportionate share of the original assessment amount.

The following pages summarize the Fiscal Year 2026/27 assessments for the Districts and Annexations.

[15] *A copy may be retained from the City Engineer.*

City of Palmdale
Streetlight Maintenance Assessment Districts and Annexations
Assessment Roll Summary

District / Annexation	Parcel Count [1]	2026/27 EDUs per District	2026/27 Assessment Amount	2026/27 Actual Assessment Rate per EDU	2026/27 Maximum Assessment Rate per EDU
1	10	411.700	$53,414.43	$135.84	$135.84
2	0	0.00	0.00	0.00	0.00
3	104	104.000	14,127.36	135.84	135.84
4	132	132.000	17,930.88	135.84	135.84
5	159	159.000	21,598.56	135.84	135.84
6	156	156.000	21,191.04	135.84	135.84
7	45	45.000	6,112.80	135.84	135.84
8	0	0.00	0.00	0.00	0.00
9	19	19.000	2,580.96	135.84	135.84
10	0	0.00	0.00	0.00	0.00
11	49	49.000	6,656.16	135.84	135.84
12	0	0.00	0.00	0.00	0.00
13	49	164.380	22,329.33	135.84	135.84
14	53	53.000	7,199.52	135.84	135.84
15	161	161.000	21,870.24	135.84	135.84
16	86	188.140	24,354.35	135.84	135.84
17	144	144.000	19,560.96	135.84	135.84
18	72	72.000	9,780.48	135.84	135.84
19	8	8.000	1,086.72	135.84	135.84
20	8	8.000	1,086.72	135.84	135.84
21	70	70.000	9,508.80	135.84	135.84
22	158	158.000	21,462.72	135.84	135.84
23	1	1.000	135.84	135.84	135.84
24	1	1.000	135.84	135.84	135.84
25	72	72.000	9,780.48	135.84	135.84
26	5	5.000	679.20	135.84	135.84
27	21	21.000	2,852.64	135.84	135.84
28	1	1.000	135.84	135.84	135.84
29	49	107.600	14,616.35	135.84	135.84
30	122	122.000	16,572.48	135.84	135.84
31	13	13.000	1,765.92	135.84	135.84
32	3	3.000	407.52	135.84	135.84
33	74	74.000	10,052.16	135.84	135.84
34	1	1.000	135.84	135.84	135.84
35	6	6.000	815.04	135.84	135.84
36	2	2.000	271.68	135.84	135.84
37	92	92.000	12,497.28	135.84	135.84
38	78	78.000	10,595.52	135.84	135.84
39	43	43.000	5,841.42	135.84	135.84
40	1	1.000	135.87	135.84	135.84
41	51	51.000	6,929.37	135.84	135.84
42	64	229.160	31,130.50	135.84	135.84
43	67	67.000	9,101.28	135.84	135.84
44	1	1.000	135.84	135.84	135.84
45	1	1.000	135.84	135.84	135.84
46	64	64.000	8,693.76	135.84	135.84

City of Palmdale
Streetlight Maintenance Assessment Districts and Annexations
Assessment Roll Summary

District / Annexation	Parcel Count [1]	2026/27 EDUs per District	2026/27 Assessment Amount	2026/27 Actual Assessment Rate per EDU	2026/27 Maximum Assessment Rate per EDU
47	153	621.230	84,387.74	135.84	135.84
48	108	321.440	32,168.67	135.84	135.84
49	16	16.000	2,173.44	135.84	135.84
50	1	1.000	135.84	135.84	135.84
51	2	2.000	271.68	135.84	135.84
52	185	239.040	32,470.91	135.84	135.84
53	25	20.000	2,716.75	135.84	135.84
54	21	16.800	2,282.07	135.84	135.84
55	79	125.480	17,045.14	135.84	135.84
56	8	8.000	1,086.72	135.84	135.84
57	41	41.000	5,569.44	135.84	135.84
58	0	0.00	0.00	0.00	0.00
59	62	62.000	8,370.78	135.84	135.84
61	11	11.000	1,437.81	135.84	135.84
62	70	70.000	9,149.70	135.84	135.84
63	32	155.040	21,050.33	135.84	135.84
64	85	100.550	13,658.69	135.84	135.84
65	78	78.000	10,595.52	135.84	135.84
66	34	34.000	4,618.56	135.84	135.84
67	59	59.000	8,014.56	135.84	135.84
68	66	66.000	8,965.44	135.84	135.84
69	78	78.000	10,595.52	135.84	135.84
70	0	0.00	0.00	0.00	136.72
71	38	38.000	5,161.92	135.84	135.84
72	0	0.00	0.00	0.00	136.72
73	38	38.000	5,161.92	135.84	135.84
74	372	819.560	111,328.92	135.84	135.84
75	388	388.000	52,705.92	135.84	135.84
76	83	83.000	11,274.72	135.84	135.84
77	0	0.00	0.00	0.00	0.00
78	1	1.000	135.84	135.84	135.84
79	46	46.000	6,248.64	135.84	135.84
80	15	15.000	2,037.60	135.84	135.84
82	168	170.000	23,092.80	135.84	135.84
83	38	38.000	5,161.92	135.84	135.84
84	40	40.000	5,433.60	135.84	135.84
85	90	90.000	12,225.60	135.84	135.84
86	40	40.000	5,433.60	135.84	135.84
87	33	33.000	4,482.72	135.84	135.84
88	1	1.000	135.84	135.84	135.84
89	90	90.000	12,225.60	135.84	135.84
90	3	3.000	407.52	135.84	135.84
91	93	93.000	12,633.12	130.71	130.71
92	1	1.000	135.84	135.84	135.84
95	16	16.000	2,173.44	135.84	135.84
96	106	76.500	10,391.76	135.84	135.84

City of Palmdale
Streetlight Maintenance Assessment Districts and Annexations
Assessment Roll Summary

District / Annexation	Parcel Count [1]	2026/27 EDUs per District	2026/27 Assessment Amount	2026/27 Actual Assessment Rate per EDU	2026/27 Maximum Assessment Rate per EDU
97	92	117.200	24,953.68	135.84	135.84
99	174	310.280	42,148.39	135.84	135.84
100	2	2.000	271.68	135.84	135.84
101	66	66.000	8,965.44	135.84	135.84
102	60	60.000	8,150.40	135.84	135.84
103	52	52.000	7,063.68	135.84	135.84
104	58	58.000	7,878.72	135.84	135.84
105	42	42.000	5,705.28	135.84	135.84
106	204	309.840	42,088.89	135.84	135.84
107	3	3.000	407.52	135.84	135.84
108	1	1.000	135.84	135.84	135.84
109	1	1.000	135.84	135.84	135.84
110	5	5.000	679.20	135.84	135.84
111	59	59.000	8,014.56	135.84	135.84
113	1	1.000	135.84	135.84	135.84
114	28	28.000	3,803.52	135.84	135.84
115	50	49.500	6,724.08	135.84	135.84
116	111	111.000	15,078.24	135.87	135.87
117	2	2.000	271.68	135.84	135.84
119	0	0.00	0.00	0.00	0.00
120	3	3.000	407.52	135.84	135.84
121	0	0.00	0.00	0.00	136.72
122	62	62.000	8,422.08	135.84	135.84
123	117	179.440	24,375.12	135.84	135.84
124	0	0.00	0.00	0.00	0.00
125	1	1.000	135.84	135.84	135.84
126	2	2.000	271.68	135.84	135.84
127	1	1.000	135.84	135.84	135.84
128	0	0.00	0.00	0.00	136.72
129	41	41.000	5,569.44	135.84	135.84
130	0	0.00	0.00	0.00	0.00
131	0	0.00	0.00	0.00	0.00
132	0	0.00	0.00	0.00	0.00
134	2	2.000	271.68	135.84	135.84
135	1	1.000	135.84	135.84	135.84
136	1	1.000	135.84	135.84	135.84
137	1	1.000	135.84	135.84	135.84
139	8	8.000	1,086.72	135.87	135.87
140	11	11.000	1,494.24	125.02	125.02
141	16	16.000	2,173.44	135.84	135.84
144	93	93.000	12,633.12	135.84	135.84
145	0	0.00	0.00	0.00	0.00
146	3	3.000	407.52	135.84	135.84
147	0	0.00	0.00	0.00	0.00
148	0	0.00	0.00	0.00	0.00
149	1	1.000	135.84	135.84	135.84

City of Palmdale
Streetlight Maintenance Assessment Districts and Annexations
Assessment Roll Summary

District / Annexation	Parcel Count [1]	2026/27 EDUs per District	2026/27 Assessment Amount	2026/27 Actual Assessment Rate per EDU	2026/27 Maximum Assessment Rate per EDU
150	0	0.00	0.00	0.00	0.00
151	0	0.00	0.00	0.00	0.00
152	1	1.000	135.84	135.84	135.84
154	8	8.000	1,086.72	135.84	135.84
186	56	56.000	7,607.04	33.20	33.20
203	1	1.000	135.84	480.62	480.62
TOTAL SLMD #1	**6,671**	**9,174.880**	**$1,239,665.21**		
155	1	73.600	9,997.82	$135.84	$135.84
156	1	5.280	713.43	132.84	132.84
157	0	0.000	0.00	0.00	130.99
158	0	0.000	0.00	0.00	136.01
159	2	28.200	3,810.38	135.12	135.12
160	0	0.000	0.00	0.00	136.72
161	3	43.640	5,900.47	132.94	132.94
162	1	37.720	5,096.72	135.85	135.85
163	1	63.780	8,617.95	135.85	135.85
164	2	128.836	17,408.31	135.12	135.12
165	0	0.000	0.00	0.00	136.01
166	4	177.540	23,612.65	135.12	135.12
167	1	6.960	945.51	135.85	135.85
168	1	38.050	5,169.09	135.12	135.12
169	0	0.000	0.00	0.00	136.62
170	1	38.500	5,230.22	135.85	135.85
172	4	6.760	918.37	135.85	135.85
173	1	1.000	135.86	135.86	135.86
174	2	2.000	271.72	135.85	135.85
175	2	2.000	271.72	132.56	132.56
178	1	1.000	135.86	135.85	135.85
180	1	38.050	5,169.47	135.86	135.86
184	10	226.180	30,314.60	135.86	135.86
193	1	7.560	1,027.02	134.57	134.57
TOTAL SLMD #4	**40**	**926.656**	**$124,747.17**		
800	1,417	1,417.000	188,942.78	$133.34	$133.34
801	2	63.918	8,506.84	133.09	133.09
TOTAL SLMD #2	**1,419**	**1,480.918**	**$197,449.62**		
900	32	32.000	55,784.96	$1,743.28	$1,743.28
TOTAL SLMD #3	**32**	**32.000**	**$55,784.96**		
91616	31,614	34,958.000	3,554,877.68	$101.69	$101.69
TOTAL SLMD #5	**31,614**	**34,958.000**	**$3,554,877.68**		
TOTAL ALL SLMDs	**39,776**	**46,572.454**	**$5,172,524.64**		

MINUTES
CITY COUNCIL/SA/HA/PAA/PFA
CITY HALL COUNCIL CHAMBER
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
MAY 5, 2026
5:00 PM

1) CALL MEETING TO ORDER

Mayor Ohlsen called the meeting to order at 5:05 pm.

Note: All City Council memberships are reflected in their City Council titles.

2) ROLL CALL MAYOR OHLSEN, MAYOR PRO TEM BISHOP, COUNCILMEMBERS LOA, BETTENCOURT, ALARCÓN COMMISSIONERS FRAGA-SAENZ, BETTS
PRESENT: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón, Christina Fraga-Saenz, Dianne Betts.
ABSENT: None.

3) PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

Mayor Ohlsen led the pledge of allegiance.

4) PRESENTATIONS

4.1) City of Palmdale Veteran of the Year Award.

Council and representatives from the offices of Congressman Whitesides, Senator Valladares, and Assemblyman Carrillo presented a proclamation and certificates recognizing Mayra Duarte.

Ms. Duarte expressed her appreciation for the recognition and spoke words of encouragement to the community.

4.2) Commendation to Sophia Reyes in honor of her retirement from the City of Palmdale.

Councilmember Bettencourt read the commendation, and Council recognized Sophia Reyes for 30 years of service with the City of Palmdale.

Ms. Reyes spoke about her 30 years of service working for the City of Palmdale.

5) NON-AGENDA PUBLIC COMMENTS

The following individuals provided public input: Sandy Carpenter discussed the AV Edge contract, and the Multi-Agency Regional Resilience Center. Eugene Hernandez commented on the Lancaster investigation and spoke in opposition to the AV Edge contract. Dr. Coronado spoke regarding transparency, the city sales tax Measures AV and PD, and city leadership. Bahman Tamjidi discussed a zoning change involving property he owns. Roger Soderstedt commented regarding the K-rails at Arnie Quinones Park. Michelley Benitez spoke regarding the 11.25% tax, city roads, and a directly elected mayor. Rich Gallego spoke about the recent Supreme Court ruling in Louisiana v. Callais and called on the Council to pass an ordinance abolishing the current districts in Palmdale and providing the opportunity for the voters to decide if they want districts on an at-large situation. Marcos Alvarez provided the history of Cinco de Mayo. An unidentified man spoke regarding an at-large mayor, the AV Edge contract, and the 11.25% tax increase. An unidentified woman commented regarding tax dollars, potholes, and the winter shelter and services for the homeless. Mark Maldonado commented regarding 11.25% tax and the concerns of the people, and bringing smoke shop businesses to Palmdale. Chuck Murphy spoke his Music and Kids program and working with the school district.

Mayor Ohlsen discussed his opposition to Measure ER and the importance of protecting tax revenue for the City of Palmdale.

Councilmember Loa discussed the benefits of Measure PD, local control, and demonstrating results from the funding.

Councilmember Alarcón read her statement opposing Measure PD when it was originally proposed. She requested that a draft resolution be brought back to Council for further consideration. She read the resolution into the record and introduced the following motion.

Motion that the Council instructs the City Attorney to:

1. Draft a resolution ordering that an ordinance to fully repeal Measure PD be submitted to the voters at the General Municipal Election to be held on November 3, 2026;
2. Draft a resolution to defer the implementation and collection of the full amount of the Measure PD sales tax increase. This deferral shall remain in effect until November 3, 2026 election results are certified; and
3. Both the forementioned resolutions be drafted and brought back to the Council for consideration and action at its next regularly scheduled CC meeting.

Councilmember Alarcón stated that she was requesting the item be placed on a future agenda so the Council could fully discuss it. The motion was seconded by Councilmember Bettencourt.

Mayor Ohlsen stated that he did not want to consider repealing Measure PD if doing so would open up more of the sales tax cap. He suggested that, if voters reject Measure ER, Council should revisit the discussion. However, if voters approve Measure ER, Council may need Measure PD as a tool for potential litigation to stop implementation of the tax in Palmdale.

Mayor Pro Tem Bishop spoke about his opposition to Measure AV in 2020. He further discussed Measure PD in 2024 and spoke about protecting our local tax dollars.

Councilmember Bettencourt discussed a meeting that her and Councilmember Loa had with HDL regarding the possible tax benefits for storefront cannabis. She also mentioned that her and Councilmember Alarcón have repeatedly demanded accountability from AV Edge for city funds that were provided.

Councilmember Alarcón asked for a second to bring back the motion for discussion.

Motion: Bring the motion back to the next meeting for further discussion.
Moved by Andrea Alarcón, seconded by Laura Bettencourt.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

City Manager Mendez requested that 7.9, 7.10, and 9.3 be brought back to a future meeting.

6) HOUSING AUTHORITY CONSENT CALENDAR

6.1) Approve the minutes from the previous meeting.

Motion: Approve the Housing Authority Consent Calendar.
Moved by Christina Fraga-Saenz, seconded by Dianne Betts.

Vote: Motion carried (7-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón, Christina Fraga-Saenz, Dianne Betts.

7) CONSENT CALENDAR

The following items were pulled by the Council for discussion: Items 7.6, 7.7, and 7.17.

7.1) Waive full reading of the Resolution(s) and/or Ordinance(s) to be considered and voted on at this meeting. (This allows for reading the title only in lieu of reciting the entire text).

7.2) Receive and file the monthly and quarterly investment activity reports for March 2026.

7.3) Adopt Resolution No. CC 2026-026, a Resolution of the City Council of the City of Palmdale designating by title and name those officials who are authorized to sign checks and warrants, and repealing Resolution No. CC 2025-045; and adopt Resolution No. SA 2026-003, a Resolution of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale, designating by title and name those officials who are authorized to sign checks and warrants, and repealing Resolution No. SA 2025-002.

7.4) Approve Agreement with TK Elevator Corporation for elevator modernization services for a total not to exceed amount of $162,435 for a term of one year.

7.5) Approve Construction Agreement with CEM Construction Corporation for PN 796, 45th Street East Sewer, Storm Drain, and Street Improvement Project, for a total not to exceed amount of $10,995,022 for a term of 251 working days from the date of the Notice to Proceed.

7.6) Approve Agreement with Willdan Engineering for Construction Management and Observation Services for PN 796, 45th Street East Sewer, Storm Drain, and Street Improvement Project, for a total not to exceed amount of $877,190 for a term of 251 working days from the date of the Notice to Proceed.

Director Torres presented the staff report.

Councilmember Alarcón spoke about the pattern of awarding contracts to this specific contractor. Director Torres answered questions regarding the contract. There was further discussion among Council regarding the qualifications of the contractor, urgency of approving the agreement, continuing the item, and percentage of contracts with this specific vendor.

City Manager Mendez spoke about the item being continued.

Mayor Ohlsen made a motion to approve the item, and Mayor Pro Tem Bishop seconded the motion.

Councilmember Loa made a substitute motion to continue this item to the June 2, 2026 meeting.

Motion: Continue this item to the June 2, 2026 meeting.
Moved by Richard J. Loa, seconded by Andrea Alarcón.

Vote: Motion carried (3-1)
Yes: Richard J. Loa, Laura Bettencourt, Andrea Alarcón.
No: Eric Ohlsen.
Abstain: Austin Bishop.

7.7) Approve Construction Agreement with RG General Engineering, Inc., for PN 839, McAdam Park Improvement Project, for a total not to exceed amount of $8,048,897 for a term of 250 working days from the date of the Notice to Proceed.

Director Torres presented the staff report.

Councilmember Alarcón spoke in support of the of the renovations at McAdam Park and discussed the Community Workforce Agreement requirement.

Motion: Approve Construction Agreement with RG General Engineering, Inc., for PN 839, McAdam Park Improvement Project, for a total not to exceed amount of $8,048,897 for a term of 250 working days from the date of the Notice to Proceed.
Moved by Andrea Alarcón, seconded by Richard J. Loa.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea

Alarcón.

7.8) Approve Construction Agreement with Coast Construction Group for PN 854, Palmdale Playhouse ADA Project, for a total not to exceed amount of $264,373.80 for a term of 50 working days from the date of the Notice to Proceed.

7.9) Approve Agreement with Paragon Partners Consultants, Inc., for Right-of-Way Engineering Services, for PN 914, Rancho Vista Blvd. Grade Separation Project, for a total not to exceed amount of $691,006 for a term of two years from the date of the Notice to Proceed.

This item was pulled to bring at a future date.

7.10) Approve Construction Agreement with Vance Corporation for PN 917A, Avenue R Phase I from 25th Street East to Tackstem Avenue, for a total not to exceed amount of $12,777,831.62 for a term of 120 working days from the date of the Notice to Proceed.

This item was pulled to bring at a future date.

7.11) Approve Agreement with Z&K Consultants for Construction Management and Observation Services for PN 917A, Avenue R from 25th Street East to Tackstem Avenue Project, for a total not to exceed amount of $559,257.60 for a term of 365 calendar days from the date of the Notice to Proceed.

7.12) Approve Project Authorization Agreement with NBS Government Finance Group for Annual Assessment and Special District Levy Administration Services for a total not to exceed amount of $531,450 for a term of thirty-eight (38) months.

7.13) Approve Construction Agreement with Calmex Engineering, Inc., for PN 869-A, Arterial Road Rehabilitation Project at Palmdale Blvd. for a total not to exceed amount of $4,581,216 for a term of 60 working days from the date of the Notice to Proceed.

7.14) Approve Requisition with Plumber's Depot, Inc., for a GapVax Combination Truck for a total not to exceed amount of $932,482; and approve Requisition with National Auto Fleet for a Ford F-600 Dump Truck for a total not to exceed amount of $133,358.

7.15) Adopt Resolution No. CC 2026-019, a Resolution of the City Council of the City of Palmdale, adopting a list of projects for Fiscal Year 2026-27 funded by Senate Bill 1: The Road Repair and Accountability Act of 2017.

7.16) Adopt Resolution No. CC 2026-020, a Resolution of the City Council of the City of Palmdale, approving the application for local streets and roads funds authorized under Article 8 of the Transportation Development Act.

7.17) Adopt Resolution No. CC 2026-021, a Resolution of the City Council of the City of Palmdale, California, calling for the holding of a General Municipal

Election to be held on Tuesday, November 3, 2026, for the election of certain officers as required by the provisions of the City of Palmdale Charter; Adopt Resolution No. CC 2026-022, a Resolution of the City Council of the City of Palmdale, California, requesting the Board of Supervisors of the County of Los Angeles to consolidate a General Municipal Election to be held on Tuesday, November 3, 2026, with the Statewide General Election to be held on the same date pursuant to Section 10403 of the Elections Code; and, Adopt Resolution No. CC 2026-024, a Resolution of the City Council of the City of Palmdale, California, adopting regulations for Candidates for Elective Office pertaining to Candidate Statements submitted to the voters at the General Municipal Election to be held on Tuesday, November 3, 2026.

Councilmember Loa asked the City Attorney if the Supreme Court case, Louisiana v. Callais would affect California. City Attorney Severino responded.

Mayor Ohlsen suggested moving forward with adopting the item.

Councilmember Loa made a motion to continue the item to the June 2, 2026 meeting. Councilmember Loa's motion died for lack of a second.

Councilmember Bettencourt requested that City Attorney Severino research whether the Supreme Court's decision in Louisiana v. Callais would allow the City of Palmdale to return to a directly elected mayor. Mayor Ohlsen suggested obtaining a legal analysis. There was further discussion regarding a directly elected mayor.

Motion: Adopt Resolution No. CC 2026-021, CC 2026-022, CC 2026-024
Moved by Eric Ohlsen, seconded by Austin Bishop.

Vote: Motion carried (4-1)
Yes: Eric Ohlsen, Austin Bishop, Laura Bettencourt, Andrea Alarcón.
No: Richard J. Loa.

7.18) Approve the minutes from the previous meeting.

Motion: Approve the Consent Calendar except for 7.6, 7.7, and 7.17.
Moved by Austin Bishop, seconded by Richard J. Loa.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

8) PUBLIC HEARING

8.1) Adopt Resolution No. CC 2026-027, a Resolution of the City Council of the City of Palmdale, approving the Fiscal Year 2026-27 Annual Action Plan for use of Community Development Block Grant (CDBG) and HOME Entitlement Funds.

City Clerk Scott read the title of the resolution.

Interim Housing Manager LeNoue provided details during her PowerPoint presentation.

Councilmember Loa asked about the number of units for the Linc Housing project, and Interim Housing Manager LeNoue responded that it would include 73 units.

Councilmember Alarcón, on behalf of herself and Councilmember Bettencourt, asked a question and stated that they were both advocates for a domestic violence or emergency transitional housing in Palmdale. She suggested setting aside future Affordable Housing funds specifically for domestic violence housing.

Councilmember Bettencourt asked whether the American Dream Housing Counseling Agency would be located in Palmdale and staffed by local employees. Interim Housing Manager LeNoue stated that the office would be located in Lancaster, but services would be provided in Palmdale. Councilmember Bettencourt suggested that the office be located in Palmdale.

The following individuals provided public input: Kevin Dillard of American Dream Housing Counseling Agency confirmed that an office will be opened in Palmdale. Mark Maldonado spoke in support of domestic violence housing. Ms. Moran discussed her program, “Let It Out,” as well as domestic violence and drug addiction. Michelley asked about funds allocated to parks vs housing. Roger Soderstedt spoke in support of domestic violence housing.

Mayor Ohlsen closed the public comments.

There was discussion among Councilmember Alarcón and Interim Housing Manager LeNoue regarding identifying funds for a domestic violence housing. Interim Housing Manager LeNoue stated the motion should be to adopt the annual action plan as amended.

Motion: Adopt Resolution No. CC 2026-027 and approve staff recommendation with the amendment of future affordable housing amount of $226,837.35 be designated towards the development of domestic violence housing.
Moved by Andrea Alarcón, seconded by Laura Bettencourt.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

Mayor Ohlsen called for a recess at 7:11 pm - 7:19 pm.

82) Adopt Resolution No. CC 2026-025, a Resolution of the City Council of the City of Palmdale approving MOD 26-0010 amending a previously approved density bonus agreement 25-0003 (A-9355), to facilitate the construction of 272-Unit multi-family residential development on two vacant parcels totaling approximately 9.8 acres located at the northwest corner of East Avenue Q and 25th Street East, and authorize the City Manager or his designee to exercise the option to amend the agreement as necessary, including minimal and /or non substantive changes (APNS: 3022-012-036 and -037).

Mayor Ohlsen opened the Public Hearing.

City Clerk Scott read the title of the resolution.

Interim Deputy Director Magana presented the staff report and spoke about the concessions provided to the applicant.

There was Council, applicant, and staff discussion regarding the project and the concessions.

Mayor Ohlsen called for public comments.

Public Comments: None.

Mayor Ohlsen closed the public hearing.

Motion: Adopt Resolution No. CC 2026-025, a Resolution of the City Council of the City of Palmdale approving MOD 26-0010 amending a previously approved density bonus agreement 25-0003 (A-9355), to facilitate the construction of a 272-unit multi-family residential development on two vacant parcels totaling approximately 9.8 acres located at the northwest corner of East Avenue Q and 25th Street East
Moved by Andrea Alarcón, seconded by Richard J. Loa.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

8.3) Adopt Ordinance No. 1667, an Ordinance of the City Council of the City of Palmdale approving Zoning Ordinance Amendment 26-0002 to modify requirements related to Accessory Dwelling Units and Junior Accessory Dwelling Units to ensure compliance with state law and find the amendment is exempt from environmental review.

Mayor Ohlsen opened the Public Hearing.

City Clerk Scott read the title of the ordinance.

Interim Deputy Director Magana presented the staff report.

Mayor Ohlsen called for public comments.

Public Comments: None.

Mayor Ohlsen closed the public comments.

A unanimous motion was approved to introduce Ordinance No. 1667.

Motion: Adopt Ordinance No. 1667, an Ordinance of the City Council of the City of Palmdale approving Zoning Ordinance Amendment 26-0002 to modify requirements related to Accessory Dwelling Units and Junior Accessory Dwelling Units to ensure compliance with state law and find the amendment is exempt from environmental review.
Moved by Laura Bettencourt, seconded by Austin Bishop.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

8.4) Adopt Resolution No. CC 2026-023, a Resolution of the City Council of the City of Palmdale approving the issuance of tax-exempt and/or taxable revenue obligations by the California Enterprise Development Authority (CEDA) in an aggregate principal amount not to exceed $2,300,000 for the purpose of financing, refinancing and/or reimbursing the cost of acquisition, construction, installation, furnishing and equipping of healthcare facilities for the benefit of Bartz-Altadonna Community Health Center and/or a related successor entity.

City Clerk Scott read the title of the resolution.

Deputy City Manager Samson presented that staff report.

Councilmember Bettencourt asked whether the City had any funding obligation related to this item, and Deputy City Manager Samson confirmed that the City has no funding obligations.

Mayor Ohlsen called for public comments.

Public Comments: None.

Mayor Ohlsen closed the public hearing.

Motion: Adopt Resolution No. CC 2026-023, a Resolution of the City Council of the City of Palmdale approving the issuance of tax-exempt and/or taxable revenue obligations by the California Enterprise Development Authority (CEDA) in an aggregate principal amount not to exceed $2,300,000 for the purpose of financing, refinancing and/or reimbursing the cost of acquisition, construction, installation, furnishing and equipping of healthcare facilities for the benefit of Bartz-Altadonna Community Health Center and/or a related successor entity. Moved by Andrea Alarcón, seconded by Laura Bettencourt.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

9) NEW BUSINESS CC/SA - Now is the time for public participation.

9.1) Adopt Resolution No. CC 2026-016, a Resolution of the City Council of the City of Palmdale approving the Five-Year Public Art Work Plan for projects in the City of Palmdale in accordance with Chapter 15.01 of the Palmdale Municipal Code.

City Clerk Scott read the title of the Resolution.

Public Art Program Manager Davis provided a PowerPoint presentation on completed projects, pending art installations, and proposed projects.

Council spoke in support of the projects.

Mayor Ohlsen called for public comments.

Public Art Coordinator Davis acknowledged that five emails were received in support of the Public Art Program.

The following individuals provided public comments: Patty of the Palmdale Woman's Club, Chelsea Williams, and Josh Jimenez spoke in support of the program. Eugene Hernandez spoke about honoring Chicano Heritage through public art.

Motion: Adopt Resolution No. CC 2026-016, a Resolution of the City Council of the City of Palmdale approving the Five-Year Public Art Work Plan for projects in the City of Palmdale in accordance with Chapter 15.01 of the Palmdale Municipal Code.
Moved by Andrea Alarcón, seconded by Laura Bettencourt.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

9.2) Pavement Management Plan (PMP).

Deputy Director Livingston provided a PowerPoint presentation on the Pavement Management Program.

There was Council and staff discussion regarding cost of paving the roads and trucks damaging the roads. Council spoke in support of the program.

The following individuals provided public comments: Mark Maldonado spoke about the damage that potholes cause to vehicles and in support of the program, Colleen expressed concerns about a speed bump on 40th Street at the railroad crossing, and an unnamed woman spoke regarding cleaning the area around 47th Street East at Four Points.

Motion: Approve the presentation of the Pavement Management Plan.
Moved by Andrea Alarcón, seconded by Austin Bishop.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

9.3) Receive and file the City of Palmdale's 2026-31 Five-Year Capital Improvement Plan.

This item was pulled to bring at a future date.

9.4) Adopt Resolution No. SA 2026-004, a Resolution of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale authorizing the issuance and sale of tax allocation bonds to refund obligations of the former Community Redevelopment Agency of the City of Palmdale, and approving related documents and actions.

City Clerk Scott read the title of the resolution.

Deputy City Manager Samson presented the staff report.

Councilmember Loa asked how the City saves money through refinancing bonds, and Deputy City Manager Samson explained that, by refunding the bonds, the City is able to take advantage of lower interest rates.

Motion: Adopt Resolution No. SA 2026-004, a Resolution of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale authorizing the issuance and sale of tax allocation bonds to refund obligations of the former Community Redevelopment Agency of the City of Palmdale, and approving related documents and actions.
Moved by Richard J. Loa, seconded by Laura Bettencourt.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

10) JOINT NEW BUSINESS CC/SA/HA/IDA/PAA/PFA - Now is the time for public participation.

10.1) Presentation of the City of Palmdale Draft Budget for Fiscal Year 2026-27.

City Manager Mendez announced that this was the first reading of the budget and provided an opportunity for Council feedback.

Deputy City Manager Samson provided a PowerPoint presentation on the FY 2026-27 budget.

Councilmember Alarcón asked questions regarding a portion of the Measure AV budget, specifically Economic Development. She suggested that the City not exercise the option to extend the AV Edge contract and reconsider some of the Auto Mall funding. She also requested information regarding the increase in the City Attorney budget and the underlying schedules for contract services, operating expenses, and other expenditures.

Councilmember Bettencourt and Mayor Pro Tem Bishop spoke in support of the balanced budget.

The following individual provided public input: Roger Soderstedt inquired about whom he should contact regarding the K-rails at Arnie Quinones Park.

Mayor Ohlsen closed the public comments.

City Manager Mendez announced that public outreach had been conducted to gather input on the budget.

11) CITY MANAGER'S REPORT

City Manager Salvador provided an update on several upcoming events, including the Stamp Out Hunger Food Drive led by local postal workers on May 9 at the post office annex located at 38917 20th Street East; the AV Children's Choir presentation of "Americana: Singing Stories of America" on May 16 at the Palmdale Playhouse; A

Tribute to the King: Scott Bruce as Elvis on May 23 at the Palmdale Playhouse; the opening day of the season for DryTown Water Park on May 23; West Coast Classical presents Sounds 2 Beautiful on May 30 at the Palmdale Playhouse; West Coast Classical presents Symphony of Strings on May 31 at the Palmdale Playhouse; and the High Desert Beer and Wine Festival on June 20 at the Amphitheater.

City Manager Salvador also announced that Council is accepting applications for the Mobile Home Rental Review Board, the Board of Library Trustees, and the Enhanced Infrastructure Financing District (EIFD) Public Financing Authority. In addition, the Farmers Market is held Fridays at Sam Yellen Park.

12) COUNCIL REPORTS, ANNOUNCEMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

Councilmember Loa requested a future agenda item for the June meeting on the financing program and agreements that were developed by the sub-committee and the Auto Mall.

City Attorney Severino asked for clarification on the motion whether it should go on as an action item to the proposed loan agreement or a discussion item to discuss appropriate options to address. Councilmember Loa proposed an action item.

Motion: Add a future action agenda item for the June meeting related to the financing program and agreements developed out of the meetings with the sub-committee and the auto mall.
Moved by Richard J. Loa, seconded by Eric Ohlsen.

Vote: Motion carried (3-0)
Yes: Eric Ohlsen, Richard J. Loa, Andrea Alarcón.

Councilmember Bettencourt requested a future agenda item regarding the City logo and rebranding.

Mayor Pro Tem Bishop discussed proposed County Measure ER. He requested a press release or proclamation opposing the measure. He discussed the possibility of Measure ER overriding the intent of Measure PD and asked for Council consensus on opposing Measure ER. There was further discussion among the Council about adopting a resolution at a Special Meeting.

Motion: Bring back a special meeting to discuss Measure ER and adopt a resolution to oppose the measure.
Moved by Eric Ohlsen, seconded by Andrea Alarcón.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

Councilmember Alarcón requested a presentation regarding the status of the Multi-Agency Regional Resilience Center (MARRC) and its protocols for use. She also requested a list of City-sponsored events and the process for obtaining sponsorship. In addition, she requested an agenda item to determine whether or not an ad hoc committee should be formed to review the special events and cultural events policies.

Motion: Request to add two future agenda items:
1) Presentation to provide the status of the Multi-Agency Regional Resilience Center (MARRC) and its protocols for use; and
2) Discussion item on whether an ad hoc committee should be created to review the special events and cultural events policies.
Moved by Andrea Alarcón, seconded by Eric Ohlsen.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

Councilmember Alarcón announced an eviction protection event would be held on May 12 in Poncitlan Square.

Councilmember Bettencourt announced the District 3 Neighborhood Watch event on May 12 at Oasis Park

13) CLOSED SESSION

PRESENTATION BY CITY ATTORNEY

Public Comments: None.

City Attorney Severino confirmed the items would be heard as listed and recommended the recusal of Councilmember Loa and Councilmember Alarcón from one of the items on 13.3.

13.1) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Concerning CV Communities, LLC v. Antelope Valley-East Kern Water Agency, et al.
Los Angeles Superior Court 20STCV10953
This closed session is being held pursuant to the authority of California Government Code Section 54956.9(d)(1).

13.2) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Ricky Thorstensen v. City of Palmdale, et al.
Los Angeles Superior Court 22STCV29463
This closed session is being held pursuant to the authority of California Government Code Section 54956.9(d)(1).

13.3) CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION
Initiation of litigation: (3 cases)
This closed session is being held pursuant to the authority of California Government Code Section 54956.9, paragraph (4) of subdivision (d).

13.4) CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Salvador Mendez, City Manager, and Linda Daube, Special Counsel, Janelle Samson, Deputy City Manager, and Yvette Barrios, Director of Human Resources
Employee organization: Teamsters Local 986
This closed session is being held pursuant to the authority of California Government Code Section 54957.6.

13.5) PUBLIC EMPLOYMENT
Title: City Attorney Recruitment
This closed session is being held pursuant to the authority of California Government Code Section 54957.

14) ANNOUNCEMENT BY CITY ATTORNEY

Closed Session was held from 9:30 pm - 11:45 pm.

City Attorney Severino announced the following:
13.1 – There was no reportable action.

13.2 – There was no reportable action.

13.3 – There was no reportable action.

13.4 - There was no reportable action.

City Manager Mendez announced the following:

13.5 – There was no reportable action.

15) ADJOURN

Mayor Ohlsen adjourned the meeting at 11:45 pm to June 2, 2026, at 5:00 p.m. in the City Hall Council Chamber located at 38300 Sierra Highway, Suite B, Palmdale, California.

PASSED, APPROVED, and ADOPTED this 2nd day of June, 2026.

_____
Eric Ohlsen, Mayor

ATTEST:

_____
Rochelle Scott, City Clerk

MINUTES
CITY COUNCIL
CITY HALL COUNCIL CHAMBER
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
MAY 11, 2026
12:00 PM

1) CALL MEETING TO ORDER

Mayor Ohlsen called the meeting to order at 12:05 pm.

Note: All City Council memberships are reflected in their City Council titles.

2) ROLL CALL MAYOR OHLSEN, MAYOR PRO TEM BISHOP, COUNCILMEMBERS LOA, BETTENCOURT, ALARCÓN

PRESENT: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.
ABSENT: None.

3) PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

Mayor Ohlsen led the pledge of allegiance.

4) NEW BUSINESS - Now is the time for public participation.

4.1) Adopt Resolution No. CC 2026-029, a Resolution of the City Council of the City of Palmdale expressing the City Council's opposition to Measure ER, a Los Angeles Countywide initiative, on the June 2026 statewide ballot.

City Clerk Scott read the title of the resolution.

City Attorney Severino presented the staff report.

Public Comments: None.

There was Council discussion regarding the proposed resolution.

Councilmember Loa moved that Council strike the first sentence of the eighth "Whereas" clause, while Councilmember Alarcón recommended and moved that Council strike the fifth "Whereas" clause and Section 1 of the proposed resolution.

Further discussion followed regarding Council opposition to the passage of Measure ER, the effect the sales tax may have on Palmdale, an informational campaign about Measure ER to educate residents, potential litigation if passed to stop implementation of the tax in Palmdale, and advocating for State legislators to specifically grant Palmdale an exemption or establish a statewide

sales tax cap of 11.25%.

Motion: Adopt Resolution No. CC 2026-029, a Resolution of the City Council of the City of Palmdale expressing the City Council's opposition to Measure ER, a Los Angeles Countywide initiative, on the June 2026 statewide ballot as amended, and direct staff to continue legal analysis and intergovernmental coordination related to Countywide tax policy and local fiscal autonomy.
Moved by Andrea Alarcón, seconded by Eric Ohlsen.

Vote: Motion carried (5-0)
Yes: Eric Ohlsen, Austin Bishop, Richard J. Loa, Laura Bettencourt, Andrea Alarcón.

5) ADJOURN

Mayor Ohlsen adjourned the meeting at 12:26 pm.

PASSED, APPROVED, and ADOPTED this 2nd day of June 2026.

_____
Eric Ohlsen, Mayor

ATTEST:

_____
Rochelle Scott, City Clerk

City Council Staff Report

DATE: **JUNE 2, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER DEPARTMENT**
CITY CLERK DIVISION

DISTRICT: **1, 3 and 4**

SUBJECT: **APPROVE PLANNING COMMISSION REAPPOINTMENTS FOR DISTRICTS 1, 3, and 4**

RECOMMENDATION

Approve the Planning Commission reappointments of David Lujan (District 1), Mateo Olivarez (District 3), and Getro Elize (District 4) for new terms expiring on June 30, 2028.

BACKGROUND

Planning Commission appointments are made in accordance with Section 2.46.030 of the Palmdale Municipal Code (PMC). The Planning Commission shall consist of five commissioners, each appointed from a Planning Commission district. All commissioners shall be voting members of the Planning Commission. To be appointed, each commissioner must be a resident of the district from which they are appointed. Commissioners serve two-year terms.

DISCUSSION

Commissioners Lujan, Olivarez, and Elize's terms expire on June 30, 2026. Mayor Pro Tem Bishop (District 1), Councilmember Bettencourt (District 3), and Mayor Ohlsen (District 4) requested that their current Commissioners be reappointed. In addition, Commissioners Lujan, Olivarez, and Elize expressed a desire to continue serving on the Planning Commission for an additional two-year term, which expires on June 30, 2028.

FISCAL IMPACT

$3,500; Commissioners receive $100 per meeting, and the Chair receives $150. Funds are budgeted in the General City Salaries Part-time. Meetings are held on the second Thursday of the month

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

C. Involve and expand engagement to enhance public oversight and transparency.

Goal IV: Maintain a desirable community where everyone wants to live, work and play.

B. Provide inclusive access to a variety of supportive services that build a resilient and healthy community.

Prepared by:	Rochelle Scott, City Clerk
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS:

None

City Council Staff Report

DATE: **JUNE 2, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT PLANNING DIVISION**

APPLICANT: **MILARE HOUSING INVESTMENTS, INC.**

DISTRICT: **1**

SUBJECT: **ADOPT RESOLUTION NO. CC 2026-028; A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, APPROVING MOD 26-0009 AMENDING A PREVIOUSLY APPROVED DENSITY BONUS AGREEMENT 22-002 (A-7912), TO FACILITATE THE CONSTRUCTION OF A 48-UNIT MULTI-FAMILY RESIDENTIAL DEVELOPMENT ON ONE VACANT PARCEL TOTALING APPROXIMATELY ONE ACRE LOCATED EAST OF 9th STREET EAST, APPROXIMATELY 100 FEET SOUTH OF EAST AVENUE Q; AND, AUTHORIZE THE CITY MANAGER OR HIS DESIGNEE TO EXERCISE THE OPTION TO AMEND THE AGREEMENT AS NECESSARY, INCLUDING MINIMAL AND/OR NON-SUBSTANTIVE CHANGES (APN: 3008-040-012)**

RECOMMENDATION

Staff recommends that the City Council:

1. Receive public testimony regarding Resolution No. CC 2026-028;

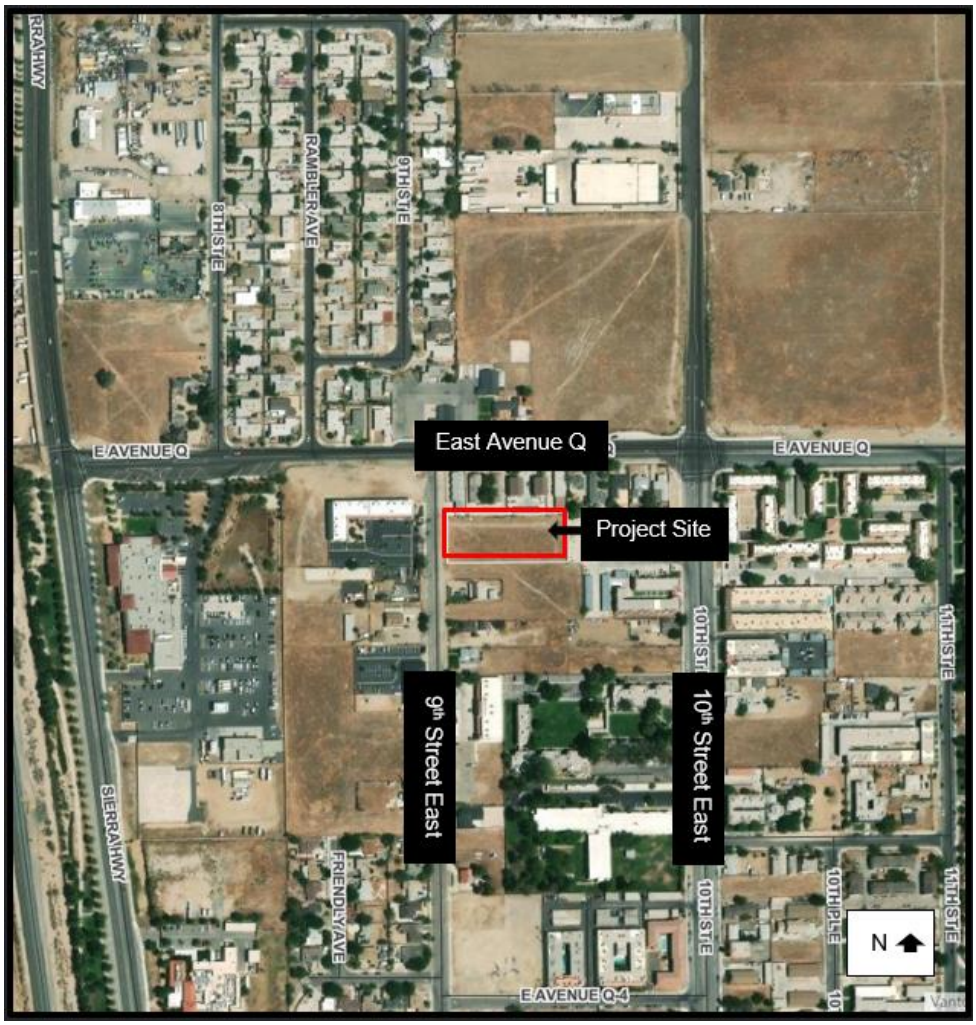
2. Adopt Resolution No. CC 2026-028 approving MOD 26-0009, amending previously approved Density Bonus Agreement AGR 22-002 (A-7912); and,

3. Authorize the City Manager or his designee to exercise the option to amend the agreement as necessary, including minimal and/or non-substantive changes (APN 3008-040-012).

BACKGROUND

On May 12, 2022, the Planning Commission adopted Resolution No. PC-2022-020 approving Minor Site Plan Review (MSPR) 22-002 for the development of the 48-unit affordable housing project and recommending City Council approval of a form of AGR 22-002 for the associated Density Bonus Agreement. On May 17, 2022, the Director of Economic and Community Development approved MSPR 22-002, which established an expiration date of May 18, 2023. On May 18, 2022, the City Council adopted Resolution No. CC 2022-059, approving a form of Agreement (AGR) 22-002 (A-7912). On May 18, 2023, MSPR 22-002 expired, requiring submittal of a new application. Subsequently, the Director of Economic and Community Development approved MSPR 25-0005 on September 17, 2025, which established an expiration date of September 17, 2028. On March 30, 2026, an application was filed with the City to amend the previously approved Agreement (AGR) 22-002 (A-7912).

FIGURE 1 - AERIAL MAP



DISCUSSION

The application proposes to amend the Density Bonus Agreement to add one concession, as set forth in Exhibit E of Resolution No. CC 2026-028 for the approved affordable housing project pursuant to Density Bonus Law (Government Code Section 65915) and Palmdale Municipal Code (PMC) Section 17.25.020.I.

The approved project includes 48 dwelling units with 100 percent of the units designated for households with incomes not exceeding the low-income threshold established by the California Department of Housing and Community Development (HCD). In accordance with the State Density Bonus Law, the applicant can request an unlimited number of waivers of development standards that would preclude the development and a maximum of three concessions from the City's development standards to facilitate the provision of affordable housing.

A density bonus is a request to increase the overall number of housing units that a developer may build on a site in exchange for providing affordable housing. State Density Bonus Law, pursuant to Section 65915 et seq of the California Government Code, offers incentives that are intended to encourage the development of affordable housing.

A Minor Site Plan Review and Density Bonus Agreement were required to allow the proposed development. The project was reviewed for consistency with applicable design standards and policies related to density, site planning, circulation, landscaping, and building form and related standards. At the time of approval, the applicant did not request incentives or concessions, but did request the use of the density bonus parking ratio.

The proposed amendment to the previously approved Density Bonus Agreement includes a request for one concession as follows:

> A concession to the Palmdale Transit Area Specific Plan (PTASP) Figure 5.4. (Development Standards Table), which requires residential ground-floor heights of at least 18 feet and typical upper-floor heights of at least 10 feet in the Urban Center (T5) zone. Instead, the ground-floor height will be 12 feet, and the upper-floor heights will be 9.5 feet.

The requested concession reduces development costs by eliminating the need for manlifts during construction, which would be required if the building height exceeds 60 feet, and would cost approximately $1.7 million. The additional cost would create a hardship for the project and would make the affordable housing project infeasible.

This requested concession is intended to facilitate the construction of high-quality, affordable housing while accommodating the construction costs and design needs. The project complies with all other applicable zoning regulations and supports the City's goals for housing production and affordability.

Staff has determined that granting the additional concession listed above will result in actual and identifiable cost reductions to provide affordable housing. In addition, the proposed project will help meet the City's Regional Housing Needs Assessment (RHNA) allocation.

FISCAL IMPACT

$4,013.89; The applicant paid the application processing fee specified within the City's fee resolution (Resolution No. CC 2026-028), and the project will improve an undeveloped site by providing utilities infrastructure, curb, gutters, sidewalks, and will provide additional housing.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

E. Transform housing inventory to meet the changing lifestyle and market demands.

Prepared by:	Megan Taggart, Director of Economic and Community Development
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

Reso. No. CC 2026-028

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2026-028

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, APPROVING MOD 26-0009 AMENDING A PREVIOUSLY APPROVED DENSITY BONUS AGREEMENT 22-002 (A-7912), TO FACILITATE THE CONSTRUCTION OF A 48-UNIT MULTI-FAMILY RESIDENTIAL DEVELOPMENT ON ONE VACANT PARCEL TOTALING APPROXIMATELY ONE ACRE LOCATED EAST OF 9th STREET EAST, APPROXIMATELY 100 FEET SOUTH OF EAST AVENUE Q; AND, AUTHORIZE THE CITY MANAGER OR HIS DESIGNEE TO EXERCISE THE OPTION TO AMEND THE AGREEMENT AS NECESSARY, INCLUDING MINIMAL AND/OR NONSUBSTANTIVE CHANGES (APN: 3008-040-012)

WHEREAS, Milare Housing Investments, Inc. (Applicant), has filed an application requesting the City Council approve an amendment, Modification (MOD) 26-0009, to a previously approved Density Bonus Agreement (AGR) 22-002 (A-7912), described herein (hereinafter "Application"); and

WHEREAS*,* The Application applies to one vacant parcel located east of 9th Street East, approximately 100 feet south of East Avenue Q, indicated on the Los Angeles County Assessor roll as Assessor Parcel Number 3008-040-012, legally described in Exhibit A hereto and shown on the map attached as Exhibit B; and,

WHEREAS, The Application relates to MSPR 25-0005, which proposes the development of an affordable housing project, and under Government Code Section 65915 et seq. and Palmdale Municipal Code ("PMC"), Section 17.25.020, the City must, upon the request of an applicant, grant a density bonus and/or certain incentives/concessions or waivers/modifications for any applicant that seeks and agrees to construct a housing development that will contain at least the minimum number of required affordable housing units; and,

WHEREAS, On May 12, 2022, the Planning Commission of the City of Palmdale conducted a duly noticed public hearing on AGR 22-002 and recommended City Council approval on that date; and,

WHEREAS, On May 18, 2022, the City Council of the City of Palmdale conducted a duly noticed public hearing on AGR 22-002, concluded said hearing on that date and approved AGR 22-002. Evidence, both written and oral, was duly presented and considered by the City Council at the aforesaid public hearing, including but not limited to, the staff report dated May 18, 2022; and,

WHEREAS, the Applicant subsequently submitted MOD 26-0009, an amendment to AGR 22-002 to request one concession, in addition to the previously approved use of the state density bonus law parking ratios; and,

WHEREAS, on June 2, 2026, the City Council of the City of Palmdale conducted a duly noticed public hearing on the Application and concluded said hearing on that date. Evidence, both written and oral, was duly presented and considered by the City Council at the aforesaid public hearing, including but not limited to, the staff report dated June 2, 2026; and,

WHEREAS, All legal prerequisites to the adoption of this Resolution have occurred.

NOW THEREFORE, BE IT RESOLVED, THE CITY COUNCIL OF THE CITY OF PALMDALE DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The City Council hereby finds as follows with respect to the documents prepared for the project:

A The custodian of records for all other materials which constitute the record of proceedings upon which the City Council's decision is based, is the Planning Manager of the City of Palmdale. These documents are available for public review in the Planning Division of the City of Palmdale located at 38250 Sierra Highway, Palmdale, California 93550, telephone (661) 267-5200.

SECTION 3. Based upon substantial evidence presented to the City Council during the above-referenced June 2, 2026, public hearing, including public testimony, and written and oral staff reports, the City Council specifically finds pursuant to PMC Sections 17.25.020.G and 17.25.020.I. as follows:

A The proposed density bonus agreement is consistent with the maps and policies of the General Plan and any applicable Specific Plan.

The proposed Density Bonus Agreement, as amended, is consistent with the Specific Plan - Palmdale Transit Area General Plan land use designation and the Urban Center (T5) zone of the Palmdale Transit Area Specific Plan (PTASP), as demonstrated in Exhibits C and D, which allow for high-density residential development on the project site. The project meets applicable land use, density, and development standards and no General Plan amendments or zone changes are required. Additionally, the

project supports the City's goals for increasing affordable housing and promoting compact, infill development in areas served by existing infrastructure and transit, further aligning with General Plan and PTASP objectives. As demonstrated in Exhibit D, the proposed project meets the density, lot size, height, and setback requirements of the T5 zone, and the site is therefore suitable for the type and density of the proposed development.

B The proposed density bonus agreement complies with the requirements of California Government Code Section 65915 et seq.

The proposed amended Density Bonus Agreement complies with the requirements of California Government Code Section 65915 et seq (Density Bonus Law) by providing the required percentage of affordable housing units in exchange for density bonuses and development incentives. The project includes deed-restricted affordable units for lower-income households, consistent with state-mandated eligibility thresholds. In accordance with Density Bonus Law, the Applicant has requested an amendment to allow for one concession, and the City has verified that the additional request meets the statutory criteria. As such, the amended agreement fully aligns with the provisions and intent of Density Bonus Law.

Pursuant to PMC Section 17.25.020, approval of the amended density bonus agreement is required to allow the proposed development. The project has been reviewed for consistency with applicable design standards and policies related to density, site planning, circulation, landscaping, and building form.

Pursuant to Government Code Section 65915(p), the project is required to provide no more than 24 residential parking spaces, and the project complies with this requirement. Pursuant to Section 65915(p)(8) of the Government Code, Applicant's request for reduced parking ratios does not reduce the number of concessions to which Applicant is entitled and does not constitute a waiver under Section 65915(e).

The proposed amendment to the Density Bonus Agreement includes a request for one concession pursuant to the Density Bonus Law and PMC Section 17.25.020 as follows and as set forth in Exhibit E:

1 A concession to the PTASP Figure 5.4. (Development Standards Table), which requires residential ground-floor heights of at least 18 feet and typical upper-floor heights of at least 10 feet in the T5 zone. Instead, the ground-floor height will be 12 feet, and the upper-floor heights will be 9.5 feet.

The Applicant proposes reducing the ground-floor height to 12 feet, and the upper-floor heights to 9.5 feet based on the justification that manlifts would be required during construction due to the building's overall height exceeding 60 feet, which would increase the cost of construction beyond the funds available for the development by nearly $1.7 million. The Applicant has demonstrated that compliance with the minimum ground and upper floor height requirements would result in increased construction costs and that the requested concession will provide identifiable and actual cost reductions necessary to facilitate the development of the affordable units.

This requested concession is intended to facilitate the construction of high-quality affordable housing while accommodating the construction costs and design needs. The project complies with all other applicable zoning regulations and supports the City's goals for housing production and affordability.

Staff has determined that granting the additional concession listed above will result in actual and identifiable cost reductions to provide affordable housing. In addition, the proposed project will contribute to satisfying the City's Regional Housing Needs Assessment (RHNA) allocation.

SECTION 4. The project is exempt from the California Environmental Quality Act (CEQA) as a ministerial project pursuant to Government Code Section 15268, as it consists of an amendment to an approved Density Bonus Agreement to grant a concession to facilitate the development of a previously approved 100-percent affordable multifamily residential development. The amendment does not introduce new environmental impacts beyond those previously analyzed.

SECTION 5. Based on the findings and conclusions set forth in Sections 1, 2, 3 and 4 above, the City Council approves MOD 26-0009, an amendment to a previously approved Density Bonus Agreement, AGR 22-002 (A-7912) as set forth in Exhibits A through E, and authorizes the City Manager or his designee to exercise the option to amend the agreement as necessary.

SECTION 6. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this 2nd day of June, 2026.

Approved as to form:

_____
Eric Ohlsen, Mayor

ATTEST:

_____
Alexandra Severino
City Attorney

_____
Rochelle Scott, City Clerk

I, Rochelle Scott, City Clerk of the City of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the City Council of the City of Palmdale at a regular meeting of said Council held on the 2nd day of June, 2026, by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Rochelle Scott, City Clerk

EXHIBIT A

LEGAL DESCRIPTION FOR MOD 26-0009

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

THE SOUTH 135.00 FEET OF BLOCK 27, IN THE TOWN AND SUBURBS OF PALMDALE, IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, IN BOOK 52, PAGES 55 AND 56 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE EAST 361.00 FEET OF SAID LAND

APN: 3008-040-012

EXHIBIT B

AERIAL MAP FOR MOD 26-0009

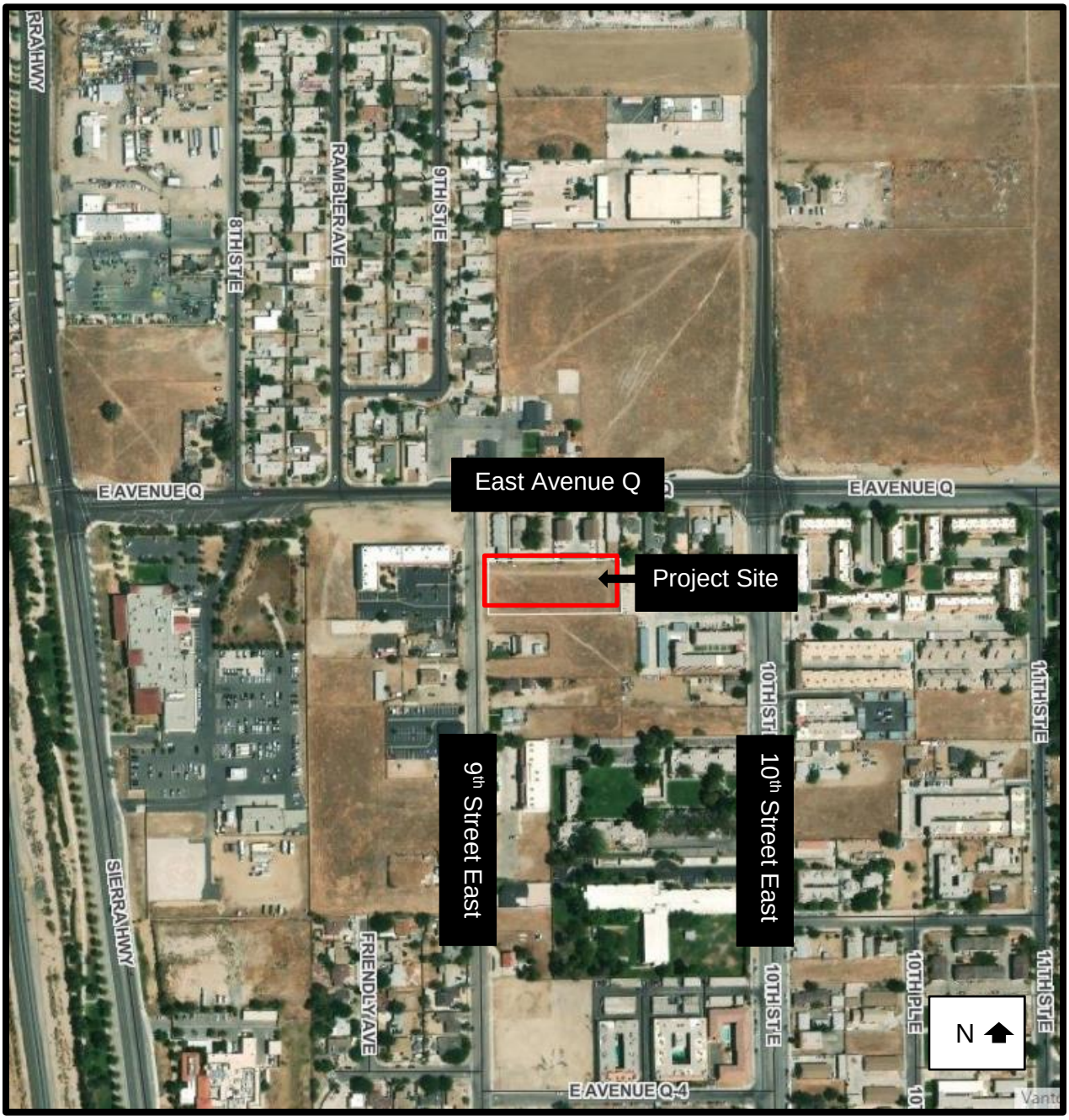


EXHIBIT C

GENERAL PLAN AND SPECIFIC PLAN CONSISTENCY FOR MOD 26-0009

Element	Goal, Objective, or Policy	Standard Met?	Justification*
Land Use and Community Design	LUD-4.1. Quality Construction. Use simple, urban building forms made with permanent materials with high-quality detailing that stands the test of time. LUD-4.3. Long-Lasting Building Materials. Convey façade articulation through the strength, depth, and permanence of building materials. Thinner cladding materials, such as stucco, masonry veneers, and wood or simulated wood, may be used when finished to appear as durable and authentic as the materials they simulate.	Yes Yes	The proposed project incorporates durable, high-quality materials, including multi-tone stucco in white and deep blue hues, elastomeric-coated concrete, and painted metal railings, forming a cohesive contemporary palette. The design employs simple urban building forms with clean lines and balanced massing, consistent with LUD-4.1. High-quality detailing and permanent finishes are selected to ensure longevity and minimize long-term maintenance. Façade articulation reflects LUD-4.3 through variations in depth, material transitions, and strong horizontal and vertical elements that convey permanence. Stucco is detailed to appear durable and authentic, enhanced by shadow lines and framed volumes. The buildings include projecting and partially recessed balconies that extend outward while remaining partially covered, adding visual depth. Articulated corners, inset wall planes, varied parapet rooflines, and clearly defined ground-floor entries further enhance scale, and visual interest along the street frontage.

GENERAL PLAN AND SPECIFIC PLAN CONSISTENCY FOR MOD 26-0009 - CONTINUED

Element	Goal, Objective, or Policy	Standard Met?	Justification*
Land Use and Community Design	LUD-5.1 New Complete Neighborhoods. Require new development to provide multiple amenities, a beautiful public realm, and be consistent with the City's vision for complete neighborhoods.	Yes	The proposed project will facilitate the development of an affordable housing project that provides on-site amenities for residents in well-designed buildings, two community rooms, laundry facilities, and shaded picnic areas with picnic tables barbecue grills, private open space, and a retail component.
Land Use and Community Design	LUD-5.3. Public Services in New Neighborhoods. Require new developments to be designed for and provided with adequate public services and infrastructure. Require that these public facilities and services be provided concurrently with development to ensure a high quality of life for residents.	Yes	The project is located within the Palmdale Water District and the Los Angeles County Sanitation District. Both agencies have reviewed the project and provided conditions of approval to ensure the project can be adequately served by existing water and wastewater facilities upon approval of development plans. Additionally, the project has been conditioned by the Engineering Division to provide curbs, gutters, and sidewalks to adequately serve future residents.

GENERAL PLAN AND SPECIFIC PLAN CONSISTENCY FOR MOD 26-0009 - CONTINUED

Element	Goal, Objective, or Policy	Standard Met?	Justification*
Land Use and Community Design	LUD-10.6. Pedestrian-Oriented Design. Implement urban design guidelines and features that encourage pedestrian activity and reduce automobile use.	Yes	The proposed project incorporates urban design features that promote walkability and reduce car dependency. The project includes pedestrian pathways, shade trees, and long-term bike parking, further enhancing pedestrian comfort and supporting alternative transportation. The site's location within the PTASP, proximity to transit, and its compact, connected layout align with the City's vision for transit-oriented, pedestrian-friendly development.
Land Use and Community Design	LUD-22.5. Varying Housing Types. Encourage and allow a variety of housing types developed at a range of densities to serve varying household types, including, but not limited to, single-family attached and detached, accessory dwelling units, multifamily apartments, townhomes, duplexes, triplexes, quadplexes, and condominiums.	Yes	The proposed project is located on a vacant site and will provide a new multifamily development for low-income individuals. The site is within a half mile of the existing Palmdale Transportation Center and the future multi-modal high-speed rail station, which provides alternative transportation for residents. The proposal meets this land-use goal by providing a different type of housing than is currently in the immediate vicinity and by serving the need for multifamily development.

GENERAL PLAN AND SPECIFIC PLAN CONSISTENCY FOR MOD 26-0009 - CONTINUED

Element	Goal, Objective, or Policy	Standard Met?	Justification*
Economic Development	ED-5.2. Supply and diversity of housing. Increase the supply and diversity of housing options to support different types of households, including seniors, young adults, families, empty nesters, individuals or families with special needs, and multigenerational families.	Yes	The proposed project increases the supply and diversity of housing options by offering a mix of unit sizes ranging from two to three bedrooms to accommodate a wide range of household types and ensures more inclusive and flexible housing opportunities within the community.
Housing	H1. Promote the construction of a variety of residential development opportunities for all income groups	Yes	The proposed project will increase the supply of housing, specifically housing that will provide deed restricted affordable housing units, and will be located in an area that is accessible to transit, employment and services.
Specific Plan	Objective 2.2. Locate housing, employment and services close to transit.	Yes	The proposed project will facilitate the development of multi-family residential and a commercial component to support local employment within a half mile of the existing Palmdale Transportation Center and the future multi-modal high-speed rail station.

**Justification is based on a review of the plans date stamped September 17, 2025.*

EXHIBIT D

PMC AND SPECIFIC PLAN STANDARDS FOR MOD 26-0009

	Standard	Standard Met?	Justification*
Density	Minimum Density: 30 dwelling units per acre Maximum Density: 50 dwelling units per acre	Yes	The proposed project would accommodate the development of 48 multifamily residential units on an approximately one-acre site, resulting in a residential density of approximately 48 dwelling units per acre.
Lot Size	Minimum: 20,000 square feet	Yes	The proposed project is situated on an approximately one-acre, or 43,560-square-foot site, which exceeds the minimum requirement.
Setbacks	Front: up to 5 feet where allowed Interior: 0 feet where allowed Rear: 5 feet	Yes	The applicant proposes that buildings be setback a minimum of five feet from all property lines.
Building Height	Maximum Height: 65 feet	Yes	The proposed project was approved at 62 feet and four inches in height, but will be reduced to 54 feet and four inches in height.
Ground Floor Height	Minimum residential ground floor height: 18 feet Minimum typical upper floor height: 10 feet	No	The proposed ground floor height will be 12 feet, and the typical upper floor height will be 9.5 feet. The requested concession reduces development costs by eliminating the need for manlifts during construction which would be required if the building height exceeds 60 feet, and would cost approximately $1.7 million. The additional cost would create a hardship for the project and would make the affordable housing project infeasible.

PMC AND SPECIFIC PLAN STANDARDS FOR MOD 26-0009 - CONTINUED

	Standard	Standard Met?	Justification*
Building Separation	Minimum of 30 feet open-to-the-sky building break.	Yes	The applicant proposes a 38-foot open-to-the-sky separation between the structures.
Parking	The project is subject to the state density bonus parking ratio standards, which require 0.5 space per unit, for a total of 24 spaces for the residential component. The 250-square-foot commercial space requires one space.	Yes	The proposed project includes 50 parking spaces, exceeding the total required parking based on the state density-bonus parking ratio for the residential units and the PMC requirements for the commercial space.
Electric Vehicle Charging	Electric vehicle infrastructure requirements set forth in PMC Section 17.87.050.C and Title 24, Part 11 (California Green Building Standards Code 2022), Section 4.106.4, as adopted by the Palmdale Municipal Code, which requires that 40 percent of all parking stalls be “EV Ready” with an available 240-volt outlet at each stall and an additional 10 percent of stalls have an EV Charger	Yes	The proposed project includes 4 EV parking spaces, consisting of 2 standard and 2 accessible.
Common Open Space	Three amenities are required for the 48 residential unit project.	Yes	Three amenities are provided, including two community rooms and an outdoor common area with patio furniture and barbecue grills.

PMC AND SPECIFIC PLAN STANDARDS FOR MOD 26-0009 - CONTINUED

	Standard	Standard Met?	Justification*
Private Open Space	Ground Floor Units: 50-100 square feet per dwelling unit. Upper Floor Units: 50 square feet per dwelling unit. Minimum Dimensions: 6 feet.	Yes	Adequate private open space is provided: 56 square feet for all 2-bedroom ground and upper floor units, and 129 square feet for all 3-bedroom ground and upper floor units.

**Justification is based on a review of the plans date stamped September 17, 2025.*

OFFICIAL BUSINESS
Document entitled to free
Recording per Government
Code Section 27383

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Palmdale
38300 Sierra Highway, Suite C
Palmdale, CA 93550
Attn: City Clerk

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

APN: **3008-040-012**

DENSITY BONUS HOUSING AGREEMENT
(Bana At Palmdale Apartments)
(A-7912)

THIS DENSITY BONUS HOUSING AGREEMENT ("Agreement") dated as of _____, 2026, is entered into by and between the City of Palmdale, a municipal corporation of the State of California ("City"), and 9th Street E. Housing, LP, a California limited partnership, located at 313 E. Broadway #10777, Glendale, CA 91209 and/or its assigns ("Owner"), as follows:

RECITALS

A. Owner is the owner of a fee interest in certain real property located in the City of Palmdale, County of Los Angeles, State of California, identified as APN **3008-040-012**, located at 38732 9th Street E., Palmdale, CA and legally described in Exhibit "A" attached hereto and incorporated by reference ("Property").

B. Owner will construct a 48-unit affordable housing development, with three residential buildings, included amenities, and retail units (collectively, the "Residential Development"). The Residential Development provides for units of varying types, two- and three-bedroom flats. The Residential Development will provide 50 parking stalls onsite.

C. The residential portion of the Residential Development will consist of 48 residential units for very low-income and low-income individuals and families. One hundred percent (100%) of the units, with the exception of the manager's unit, will be available to and occupied by households whose incomes do not exceed the maximum income of low income households in Los Angeles County as determined by the California Department of Housing and Community Development.

D. Under Government Code Section 65915, *et seq*. and Palmdale Municipal Code, Section 17.25.110, the City must, upon the request of an applicant, grant a density bonus and/or certain incentives/concessions or waivers/modifications for any development applicant that seeks and agrees to construct a minimum number of housing units that are affordable to low or very low-income households ("Density Bonus Law").

E. The subject site has a General Plan Land Use Designation of SP (Palmdale Transit Area Specific Plan) and T-5 (Urban Center) zone, with a density of 30-50 dwelling units per acre. The Property is 1.02 acres allowing 48 units to be developed on the Property. The Residential Development does not require a density bonus. Density Bonus Law requires that because 100% of the resident units in the Residential Development will be affordable to "lower-income households" per section 50079.5 of the California Health and Safety Code, Government Code section 65915(d)(2)(D) entitles the Residential Development to four incentives or concessions. Density Bonus Law requires the City to grant to the Residential Development parking ratios that do not exceed 1 space per studio or one-bedroom unit, 1.5 spaces per two-bedroom or three-bedroom unit, or 2.5 spaces per four-bedroom unit. Therefore, Density Bonus Law requires the City to permit the Residential Development's proposed parking ratio of 1.5 spaces per unit for the two- and three-bedroom flats.

F. The subject site has a General Plan Land Use Designation of SP (Palmdale Transit Area Specific Plan) and T5 (Urban Center) zone, with a ground floor height of 18 feet and a typical upper floor at 10 feet. Density Bonus Law allows the City to provide a concession to allow the Residential Development's proposed ground level garage height of 12 feet with a typical upper floor height of 9.5 feet.

G. City and Owner enter into this Agreement pursuant to and in accordance with Government Code Section 65915, *et seq*., and Section 17.25.110 of the Palmdale Municipal Code, in order to provide housing for lower-income households.

H. The City finds that permitting the parking ratio under Section E, above, will result in actual and identifiable cost reductions to provide for affordable housing cost, will not have an adverse impact upon public health and safety, the physical environment, or

any property that is listed in the California Register of Historical Resources, and is consistent with state and federal law. The City also finds that the Residential Development is consistent with the General Plan.

NOW, THEREFORE, in consideration of the mutual covenants and provisions contained herein, the parties agree as follows:

AGREEMENT

1. Recitals. The Recitals set forth above are true and correct, and incorporated herein.

2. Definitions. For purposes of this Agreement, the terms listed below shall have the meanings thereafter specified:

a. "Adjusted for Household Size Appropriate for the Unit" means a household of two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, and four persons in the case of a three-bedroom unit.

b. "Affordable Rent" means a rent that, when added to the Utility Allowance, does not exceed thirty (30) percent of sixty (60) percent of the Los Angeles County median income as determined annually by the California Department of Housing and Community Development, Adjusted for Household Size Appropriate for the Unit.

c. "Affordable Units" means a dwelling unit that will be offered for rent exclusively to an Income Eligible Household at an Affordable Rent pursuant to this Agreement.

d. "Director" means City's Department of Housing Director, or their designee.

e. "Income Eligible Household" means a Low-Income Household which is eligible to rent a particular Affordable Unit.

f. "Low-Income Household" shall have the meaning ascribed to "lower-income households" under California Health and Safety Code Section 50079.5. The upper income limit for Low Income Households shall be the income limits

for such households published annually by the California Department of Housing and Community Development with adjustments for household size.

g. "Management Plan" means a plan prepared by the Owner and approved by the Director describing in detail the management of the Affordable Units, including marketing of the Affordable Units, tenant selection criteria and process, waiting list management, application of Utility Allowances in setting Affordable Rents, and similar details of the operation, annual monitoring inspections and file review, and a schedule of initial rents.

h. "Occupancy Date" means the earlier to occur of (i) issuance of a Certificate of Occupancy by the City or (ii) issuance of a Temporary Certificate of Occupancy by the City.

i. "Owner" means the person or entity defined as such in the introductory paragraph of this Agreement and includes all successors and assigns of that person or entity.

j. "Property" shall have the meaning defined in Recital "A," as more particularly described in Exhibit "A" attached hereto and incorporated herein.

k. "Residential Development" shall have the meaning given in Recital "B".

l. "Utility Allowance" means an amount designated annually by the City as a reasonable estimate of the cost of utilities for the Affordable Unit, for purposes of calculating the applicable Affordable Rent.

3. Approvals. The Residential Development shall be developed in accordance with all applicable provisions of the Palmdale Municipal Code.

4. Affordable Units. Owner hereby covenants and agrees that one hundred percent (100%) of the units in the Residential Development shall be rented exclusively to Low Income Households, at an Affordable Rent.

5. Affordable Rents. Affordable Rents for Affordable Units, including Utility Allowances, shall be based on the Los Angeles County Area Median Income published in Title 25, California Code of Regulations, Section 6932 by the California Department of Housing and Community Development, as may be amended from time to time.

Affordable Rents may not be increased more frequently than annually to reflect increases in Area Median Income.

6. Term of Affordability Covenants. The covenants to restrict the rental of the Affordable Units in accordance with this Agreement shall remain in effect for a term commencing on the Occupancy Date and continuing for fifty-five (55) years ("Term"). Prior to recording of this Agreement, Owner must deliver to the City a Lenders Consent and Subordination Agreement ("Lender Consent"), in the form appended to this Agreement, from each lender that will hold a security interest in the Property. Such Lender Consents shall be recorded as a substantive part of this Agreement.

7. Management Plan. The Owner shall submit the Management Plan for the Director's consideration and approval at least one hundred eighty (180) days prior to the date that the Owner applies for a certificate of occupancy for the Residential Development. Such approval shall not be unreasonably withheld. In addition to other components, the Management Plan shall contain the following:

a. Selection of Tenants.

i. Whenever an Affordable Unit becomes available, the Director shall be notified promptly in writing.

ii. Owner shall conduct affirmative marketing of the Affordable Units, as they become available from time to time, including wide circulation of information and public notice of the availability of Affordable Units for rent during the marketing period required by the Management Plan.

iii. Owner shall determine the eligibility of Low-Income Households to lease the Affordable Units in accordance with the Management Plan.

8. Changes in Tenant Income. A tenant who initially qualified as a Low Income Household, but who, due to an increase in income, no longer qualifies as a Low Income Household shall pay as rent an amount that is the least of the amount that would be payable by the tenant under (i) low-income housing tax credit regulations, (ii) State or local law or (iii) thirty percent (30%) of the household's adjusted gross income.

9. Utilization of Affordable Rental Units. All Affordable Units required by this Agreement shall be leased or rented and fully utilized in accordance with this Agreement; notwithstanding any other provision of law to the contrary, no Affordable Unit shall be withdrawn from the market or otherwise held vacant.

10. No Sublease. A tenant occupying an Affordable Unit may not sublet the unit without the written permission of both Owner and City. The City shall not grant permission to lease, rent, or sublet the unit if it finds that the prospective tenant or occupant is not an Income Eligible Household. Any individual who subleases an Affordable Unit in violation of the provisions of this Agreement shall be required to forfeit to City all monetary amounts so obtained.

11. Lease Agreement. A fully executed copy of the lease agreement for each Affordable Unit, which shall comply with the provisions of this Agreement, shall be delivered to the City's Department of Neighborhood Services, Housing Division within ten (10) days after the date of its execution.

12. Maintenance of Units. Owner shall: (a) maintain and operate all units on the Property so as to provide decent, safe and sanitary housing consistent with federal housing quality standards and the Palmdale Municipal Code; (b) make any required repairs or provide any required cleanup; and (c) provide the Affordable Units with the same levels of services and maintenance as are provided to any of the other dwelling units on the Property.

13. Annual Report. Owner shall maintain complete and accurate records pertaining to the Affordable Units, and shall prepare and provide the Director with a written annual report commencing one year after the Occupancy Date and continuing every year for fifty-five (55) years, regarding the rental status of the units. The report shall include information regarding the name, address and income of each resident of the Affordable Units, identify the number of bedrooms of the unit and the monthly rent paid by the tenant. Concurrently with the submittal of each annual report to the City, Owner shall pay a monitoring fee to the City in the amount of Three Thousand Dollars ($3,000) with a maximum increase of 2% per year to defray the City's cost of monitoring Owner's compliance with this Agreement. Owner's failure to make such payment will be a default under this Agreement.

14. Right of First Refusal. In accordance with Palmdale Municipal Code Section 17.25.020(D)(5)(b), the Owner hereby grants the City the continuing right of first refusal to purchase or lease any or all of the Affordable Units at their fair market value upon the terms and conditions set forth in Exhibit "B", attached hereto and incorporated herein by this reference

15. Federal and State Laws. Notwithstanding the above provisions, nothing contained herein shall require Owner or City to do anything contrary to or refrain from doing anything required by Federal and State laws and regulations promulgated thereunder applicable to the construction, management, maintenance, and rental of Affordable Units in the City of Palmdale.

16. Prohibition Against Discrimination. Owner shall not discriminate against any tenant or potential tenant on the basis of sex, color, race, ethnicity, religion, ancestry, national origin, age, pregnancy, marital status, family composition, sexual orientation, or the potential or actual occupancy of minor children. Owner further agrees to take affirmative action to ensure that no such person is discriminated against for any of the above-mentioned reasons.

17. Indemnification. Owner shall defend, indemnify and hold harmless the City of Palmdale and its officers, agents, employees, representatives and volunteers from and against any loss, liability, claim or judgment relating solely to this Agreement, including those Claims that arise out of either: (a) a breach of this Agreement by Owner; (b) related in any manner to the Owner's administration of this Agreement; or (c) arising out of the City's interest in this Agreement or Affordable Units. This indemnification shall not apply to Claims arising out of the negligence or willful misconduct of the City, its officers, agents, employees, representatives or volunteers.

18. City's Right to Inspect Units and Documents. The City may inspect the Affordable Units (subject to the tenant's privacy rights and lease provisions) and any documents or records relating thereto, at any reasonable time to determine Owner's compliance with this Agreement.

19. Successors and Assigns. This Agreement and its covenants and conditions shall run with the land and be binding upon and inure to the benefit of City and Owner, and their respective successors, owners by deed, deed-in-lieu of foreclosure, foreclosure or otherwise, and assigns. City reserves the right to designate another public agency within the City of Palmdale to perform City's obligations or to exercise City's rights under this Agreement.

20. Notices. All notices required herein shall be sent by certified mail, return receipt requested or express delivery service with a delivery receipt and shall be deemed to be effective on the date received or the date delivery was refused as indicated on the return receipt, as follows:

To Owner: 9th Street E. Housing, LP
313 E. Broadway #10777
Glendale, CA 91209
Attention: Ali Milani

With a copy to: Bergman and Allderdice
1200 Wilshire Blvd., Suite 610
Los Angeles, CA 90017
Attention: Beth S. Bergman, Esq.

With a copy to:

To City: City of Palmdale
38250 Sierra Highway
Palmdale, California 93550-4798
Attn: Director of Housing

with a copy to: City of Palmdale
38300 Sierra Highway
Palmdale, California 93550-4798
Attn: City Attorney

The parties may subsequently change addresses by providing written notice of the change in address to the other parties in accordance with this Section.

21. Governing Law. The laws of the State of California shall govern this Agreement. Any legal action brought under this Agreement must be instituted in the Superior Court of the County of Los Angeles, State of California, in an appropriate municipal court in that County, or in Federal District Court in the Central District of California.

22. Default. Failure or delay by either party to perform any term or provision of this Agreement, which is not cured within thirty (30) days after receipt of written notice from the other party, constitutes a default under this Agreement. The party who so fails or delays must immediately commence to cure, correct or remedy such failure or delay, and shall complete such cure, correction or remedy with due diligence. The injured party shall give written notice of default to the party in default specifying the default complained of by the injured party. Except as required to protect against further damages, the injured party may not initiate proceedings against the party in default until thirty (30) days after receipt of such written notice. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default. City agrees to accept cures

tendered by the Investor Limited Partner of Owner within the cure periods provided in this Agreement.

23. Remedies.

a. Any individual who rents (including subleasing) an Affordable Unit in violation of the provisions of this Agreement shall be required to forfeit to City all monetary amounts so obtained.

b. City may institute any appropriate legal actions or proceedings necessary to ensure compliance with this Agreement, including but not limited to actions for injunctive relief or damages.

c. It is agreed and understood that the covenants to maintain the Affordable Units as set forth herein are a requirement of the Palmdale Municipal Code and as a condition to receiving zoning and parking concessions/incentives under the Palmdale Municipal Code, Owner agrees that a breach of the covenants to maintain the Affordable Units as affordable housing for the Term specified herein constitutes a violation of the Palmdale Municipal Code, subject to enforcement by all legally available means.

24. Attorney's Fees. In any action brought to declare the rights granted herein or to enforce or to interpret any of the terms of this Agreement, the prevailing party shall be entitled to an award of reasonable attorney's fees and costs in an amount determined by the court.

25. Non-Waiver. Failure to exercise any right either Party may have or be entitled to, in the event of default hereunder shall not constitute a waiver of such right or any other right in the event of a subsequent default.

26. Further Assurances and Recordation. The parties shall cause this Agreement to be recorded in the Official Records of the County of Los Angeles. Owner shall execute any further documents consistent with the terms of this Agreement, including documents in recordable form and do such further acts as may be necessary, desirable or proper as City shall from time to time find necessary or appropriate to effectuate its purpose in entering into this Agreement.

27. Entire Agreement. This Agreement, including any Lender's Consent and Subordination Agreements, and all attached Exhibits, constitutes the entire agreement between the parties. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statement or promise not contained in this Agreement shall not be valid or binding. This Agreement may be amended only by written instrument signed by both City and Owner.

28. Third Party Beneficiaries. There are no third-party beneficiaries of or to this Agreement.

29. Amendment of This Agreement.

a. Generally. This Agreement may be amended from time to time in whole or in part by mutual consent of the original parties or their successors in interest, in accordance with this Agreement, the Palmdale Municipal Code and the State Density Bonus Law.

b. Administrative Amendments. Notwithstanding subdivision (a) of this Section, any amendment to this Agreement, whether requested by Owner or City, which does not relate to the Term; the number, percentage or type of Affordable Units; or the number or type of any incentives or concessions given by the City, may be determined by the Director to be an Administrative Amendment and if so, the Director shall approve the Administrative Amendment without notice or hearing, and this Agreement and its pertinent exhibits shall be automatically amended without further action by the parties. A memorandum of the amendment shall be executed and recorded to reflect such Administrative Amendment.

30. Counterparts. This Agreement may be executed by each party on a separate signature page, and when the executed signature pages are combined, shall constitute one single instrument.

[*signatures follow on next page*]

IN WITNESS WHEREOF, City and Owner have signed this Agreement as of the date set forth above.

CITY

THE CITY OF PALMDALE, CALIFORNIA, a municipal corporation

By:_____
Salvador Mendez
City Manager

Dated:_____

ATTEST:

By: _____
Rochelle Scott
City Clerk

APPROVED AS TO FORM:

By:_____
Alexandra Severino
City Attorney

KANE, BALLMER & BERKMAN

By: _____
Susan Apy
City Special Counsel

OWNER

9th Street E. Housing, LP, a California limited partnership

By: 9th Street E. Investor LLC,
a California limited liability company,
its Administrative General Partner

By: _____
Name: Fred Khachekian
Its: Manager

By: Deep Green Housing and Development, a California nonprofit public benefit corporation, its Managing General Partner

By: _____
Name: JoAnne Yokota
Its: President

LENDER'S CONSENT AND SUBORDINATION AGREEMENT

NOTICE: THIS LENDER'S CONSENT AND SUBORDINATION RESULTS IN YOUR SECURITY INTERESTS IN THE PROPERTY BECOMING SUBJECT TO AND OF A LOWER PRIORITY THAN THIS DENSITY BONUS HOUSING AGREEMENT

The undersigned ("Lender"), as owner and holder of security interests ("Security Interests") evidenced by that certain Deed of Trust With Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing made by Borrower as trustor in favor of _____ as beneficiary, dated as of _____ and recorded on _____ as Instrument No._____ in the Official Records of the County of Los Angeles, State of California, hereby acknowledges its consent to the terms and provisions of this Density Bonus Housing Agreement. The undersigned further agrees that its Security Interests are and shall unconditionally be and remain at all times junior, subordinate and subject to the terms, covenants, conditions and restrictions of this Density Bonus Housing Agreement, provided that in consideration of Lender's covenants and agreements contained in this Agreement, City and its designated agencies hereby agree for the benefit of Lender that concurrently with any notice from City to the Owner that a default or breach exists under the terms of the Density Bonus Housing Agreement, City shall send a copy of such notice to Lender and Lender shall have the right, but not the obligation to cure any defaults within thirty (30) days after the expiration of any cure period set forth in the notice from City to Borrower regarding such Owner default. The provisions of this Section are intended to supplement, and not to limit, waive, modify or replace, those provisions of law pertaining to notice and cure rights of junior lenders including, without limitations, those set forth in California Civil Code Sections 2924b and 2924c. Lender intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the Security Interests in favor of the Density Bonus Housing Agreement.

AGREED AND ACKNOWLEDGED:

Dated as of: _____, 2026

"LENDER"

CITI COMMUNITY CAPITAL

_____
Name: _____
Title: _____

[*notarized signature required*]

EXHIBIT A

Legal Description of Property

Real property in the City of Palmdale, County of Los Angeles, State of California, described as follows:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

THE SOUTH 135.00 FEET OF BLOCK 27, IN THE TOWN AND SUBURBS OF PALMDALE, IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, IN BOOK 52, PAGES 55 AND 56 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE EAST 361.00 FEET OF SAID LAND.

APN: 3008-040-012

EXHIBIT "B"

Terms and Conditions of Right of First Refusal

a. Right of First Refusal. The Owner hereby grants to the City a right of first refusal to purchase or lease any or all of the Affordable Units from the Owner (the "**Right of First Refusal**") under the following terms and conditions. In the event of a proposed sale of any or all of the Affordable Units, the City shall have the right, at its option, but not the obligation, to exercise the Right of First Refusal and purchase or lease such Affordable Unit(s) for fair market value.

b. Notice of Sale. In the event that the Owner intends to sell any or all of the Affordable Units, the Owner shall notify the City in writing not less than 30 days prior to such proposed sale (the "**Notice of Proposed Sale**"). The Notice of Proposed Sale shall specify all the terms of such proposed sale, and the Owner shall provide promptly such information as the City shall reasonably request regarding the proposed sale. The Notice of Proposed Sale shall also state the street address(es) of the Affordable Unit(s), the name(s) and existing address(es) of the proposed purchaser(s), and the terms of the proposed transaction(s). The Notice of Proposed Sale, together with the City-required information shall be personally delivered or deposited into the U.S. mail, postage prepaid, first class, certified mail, return receipt requested, addressed to:

City of Palmdale
38250 Sierra Highway, 2nd Floor
Palmdale, California 93550-3609
Attention: Director of Housing

c. Exercise of Right of First Refusal. The Right of First Refusal may be exercised by the City delivering to the Owner written notice of such exercise. Upon the City's receipt of a Notice of Proposed Sale from the Owner, the City shall have 45 days to give written notice to the Owner (the "**City's Notification**") of its decision to exercise the Right of First Refusal.

d. Escrow. Promptly following the exercise of the City's Right of First Refusal, the City shall either (i) enter into a fair market value lease for the Affordable Unit(s) or (ii) open an escrow with a title insurance company or such other escrow agent selected by the City (the "**Escrow Agent**") and the parties agree to execute escrow instructions with the Escrow Agent as may be required by the Escrow Agent, or to implement or give effect to the terms and conditions of this Agreement. If the parties disagree as to the fair market value of the Affordable Unit(s), then all lease or sale deadlines shall be paused while the value is determined by an independent residential appraiser selected (and paid for) by the Owner and reasonable acceptable to the City. The parties agree to the following escrow terms and conditions:

(i) The escrow shall be for a period of 90 days or sooner if mutually agreed by the parties;

(ii) The City agrees that it will pay the fair market value upon the close of escrow or as otherwise mutually agreed to by the parties;

(iii) The Owner agrees that it shall pay the premium for a standard C.L.T.A. policy of owner's title insurance issued by the Escrow Agent or title insurance company reasonably acceptable to the City, insuring title to the Affordable Unit(s) in the City's name, subject only to those matters approved by the City in writing. In the event the City requests an A.L.T.A. policy of owner's insurance and/or any title endorsements, the additional costs associated with the issuance of an A.L.T.A policy or the endorsements shall be paid by the City;

(iv) The Owner and the City agree that all costs and fees charged in connection with the closing and escrow shall be borne by the Owner;

(v) The Owner agrees that it shall deposit in escrow for delivery to the City an executed grant deed to the City (in such form as may be reasonably acceptable to the City Manager in his or her sole discretion);

(vi) Taxes and assessments shall be prorated at the close of escrow with the Owner paying all such taxes and assessments due and payable prior to the close of escrow and the City paying all such taxes and assessments due and payable following the close of escrow;

(vii) The Owner agrees that title shall be conveyed by the Owner at the close of escrow to the City free and clear of all mortgages, deeds of trust, liens and encumbrances. The Owner agrees that any costs to remove or satisfy any mortgages, deeds of trusts, liens or encumbrances shall be the responsibility of the Owner, at the Owner's sole cost and expense; and

(viii) Any other terms or conditions mutually agreed to by the parties.

e. Sale of the Affordable Unit(s). If the City fails to provide the City's Notification within the period provided above for exercise of its Right of First Refusal, then the Owner may consummate a sale of the Affordable Unit(s). In the event the Owner does not consummate a sale of the Affordable Unit(s) in accordance with this paragraph within a reasonable time, then the Notice of Proposed Sale shall be void and deemed never given and the Owner shall again be subject to the City's Right of First Refusal and the Owner's notice obligations. Any attempted sale of the Affordable Unit(s) in breach of this Agreement shall be void and of no force and effect.

City Council Staff Report

DATE: **JUNE 2, 2026**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY ATTORNEY'S OFFICE**

DISTRICT: **ALL**

SUBJECT: **DISCUSSION AND DIRECTION REGARDING PREPARATION OF RESOLUTIONS RELATED TO THE POTENTIAL REPEAL AND DEFERRED IMPLEMENTATION OF MEASURE PD**

RECOMMENDATION

Staff recommend that the City Council discuss and provide direction to staff regarding a motion to:

1. Draft a resolution ordering that an ordinance to fully repeal Measure PD be submitted to the voters at the General Municipal Election on November 3, 2026;

2. Draft a resolution to defer implementation and collection of the full amount of the Measure PD sales and use tax increase, with such deferral remaining in effect until certification of the November 3, 2026, election results; and,

3. Return both resolutions to the City Council for consideration and action at the next regularly scheduled City Council meeting.

BACKGROUND

At its May 5, 2026, meeting, the City Council directed staff to place this item on the agenda for discussion.

Measure PD, the "Palmdale Essential Services Protection Measure," was approved by Palmdale voters at the November 5, 2024, General Municipal Election. The measure authorized an increase to the City's transactions and use tax rate. Following certification of the election results, the City Council adopted the required ordinance implementing the voter-approved tax.

Under California Elections Code Sections 9222 and 1415, a City Council may submit a proposed ordinance to the voters, including an ordinance that would repeal a previously adopted or voter-approved measure. Any such repeal ordinance must be placed before the voters at a regular municipal election or at a special election called for that purpose.

The next regularly scheduled General Municipal Election for the City of Palmdale will occur on November 3, 2026.

DISCUSSION

If directed, staff will prepare a resolution placing an ordinance on the November 3, 2026, ballot that would fully repeal Measure PD. Adoption of such a resolution would constitute the Council's formal action ordering the submission of the repeal ordinance to the voters, consistent with Elections Code requirements.

The motion also proposes that the City Council consider a resolution deferring implementation and collection of the full Measure PD tax rate until after November 3, 2026, election results are certified. A deferral resolution would not repeal or amend Measure PD; rather, it would direct staff to continue collecting the tax at the currently implemented rate and to postpone any increase to the full authorized rate pending the outcome of the 2026 election.

If the Council provides direction to proceed, staff will prepare both resolutions and place them on the agenda for the next regularly scheduled City Council meeting for formal consideration and possible action.

FISCAL IMPACT

$0; There is no fiscal impact associated with this discussion.

STRATEGIC PLAN

Goal II: Ensure long-term fiscal health of the City and maintain funding for services.

B. Manage resources, costs, and liabilities to ensure the City's long-term fiscal health.

C. Involve and expand engagement to enhance public oversight and transparency.

Prepared by:	Alexandra Severino, City Attorney
Certified as to availability of Funds:	Janelle Samson, Deputy City Manager
Approved by:	Salvador Mendez, City Manager
Approved as to form:	Alexandra Severino, City Attorney

ATTACHMENTS

None