PALMDALE

a place to call home

CITY COUNCIL MEETING
SUCCESSOR AGENCY/HOUSING AUTHORITY

CITY COUNCIL CHAMBERS
38300 SIERRA HIGHWAY
SUITE B
PALMDALE, CA 93550
TUESDAY, JUNE 1, 2021
5:00 PM CC/HA
7:00 PM CC/SA/HA
www.cityofpalmdale.org

WELCOME

EMERGENCY PUBLIC MEETING PROCEDURE DUE TO COVID-19

In compliance with the April 15, 2021 County of Los Angeles Public Health Order, the Council Chamber is open for public comment, including public seating available at limited capacity. Citizens are required to wear masks and practice social distancing. Councilmembers may choose to participate via conference call.

How to observe the meeting virtually:

1. Spectrum local access Channel 27
2. Online live webcast at www.cityofpalmdale.org.

How to Submit Public Comments:

1) WRITTEN PUBLIC COMMENTS PRIOR TO MEETING - Click the Agendas & Minutes webpage at https://cityofpalmdale.org/310/City-Council-Meetings and find this meeting under Upcoming Events; 2) Click on the eComment button; and 3) Scroll through the agenda to find the agenda item for which you would like to provide a comment and submit your comment; 4) The cut off time is two hours prior to the time listed on the printed agenda (e.g. 6:00 p.m. meeting cut-off is 4:00 p.m.). Such comments will be provided to the City Councilmembers prior to the meeting, but will not be read aloud during the meeting.

2) VERBAL PUBLIC COMMENT DURING THE MEETING – (ZOOM Number: US: +1 669 900 9128 Webinar ID: 979 2512 1440 Passcode: 422899 Webinar attendee link https://zoom.us/j/97925121440?pwd=cWVEeUpya25SdlFzQmhjSC9hbWZ3UT09. Verbal comments must be limited to three minutes. Public comments submitted will become part of the official meeting record.

The safety and well-being of employees and the public remains the City's top priority. The City of Palmdale appreciates your patience and understanding during these challenging times.

The City Council is making every effort to follow the spirit and intent of the Brown Act and other applicable laws regulating the conduct of public meetings in order to maximize transparency and public access.

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 call the City Clerk's Office at (661) 267-5151 at least 72 hours prior to the meeting.

1. **CALL TO ORDER 5:00 P.M. CLOSED SESSION MEETING.**

2. **ROLL CALL**
   MAYOR/CHAIR HOFBAUER, MAYOR PRO TEM/VICE CHAIR BETTENCOURT;
   COUCILMEMBERS/COMMISSIONERS CARRILLO, LOA, BISHOP;
   COMMISSIONERS BROWN AND FRAGA-SAENZ

3. **CLOSED SESSION PUBLIC COMMENTS**
   Now is the time for public participation for any person wishing to speak to the City Council/Housing Authority on matters listed or not listed on the agenda, within the jurisdiction of the City Council/Housing Authority. If you are attending the meeting by phone, please press *9 to "raise your hand." If attending by personal computer, please click the "raise your hand" button. Press *6 to un-mute yourself, state your name and begin speaking. PLEASE NOTE: A three-minute limit is imposed on each speaker.

4. **PRESENTATION BY CITY ATTORNEY/AUTHORITY ATTORNEY of the following item(s) to be discussed in Closed Session**

   4.1 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

   Community Development Associates, et al. v. City of Palmdale, et al.
   Los Angeles County Superior Court
   Case No. 18STCV06968

This closed session is being held pursuant to the authority of California Government Code Sections 54956.9(a) and 54956.9(d)(1).

4.2 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9: Number of cases - One.

4.3 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Griff v. City of Palmdale, et al.
Los Angeles County Superior Court Case No. 19AVCV00702

This closed session is being held pursuant to the authority of the California Government Code Sections 54956.9(a) and 54956.9(d)(1).

5. **ANNOUNCEMENT BY CITY ATTORNEY/AUTHORITY ATTORNEY of item(s) discussed in Closed Session**

6. **ADJOURN CLOSED SESSION MEETINGS**

7. **CALL TO ORDER 7:00 P.M.**
City Council/Successor Agency/Housing Authority

8. **PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE IN HONOR OF OUR TROOPS**

9. **ROLL CALL**
MAYOR/CHAIR HOFBAUER, MAYOR PRO TEM/VICE CHAIR BETTENCOURT;
COUCILMEMBERS/DIRECTORS CARRILLO, LOA, BISHOP;
COMMISSIONERS BROWN AND FRAGA-SAENZ

10. **PRESENTATIONS**

10.1 Presentation by City Manager Murphy of the City of Palmdale's Warrior Award to Sara Gallagher, Community Compliance Manager and David Crumlish, Code Enforcement Officer.

10.2 Presentation by Mayor, Council, and the City Manager of Certificates of Recognition to the following for their volunteer service and going above and beyond the scope of their duties during the Peace Together Drytown Crosswalk Art installation April 17 - 18, 2021.

Hector Corado, Dunn Edwards Paints
Christopher Minsal, Mural Artist
Xochilt Garcia, Artist

10.3 Presentation by Mayor and Council of a Proclamation declaring the month of June 2021 as LGBTQ Month in the City of Palmdale.

10.4 Presentation by Mayor and Council of a plaque awarded to Deputy Andrew De La Rosa for Deputy of the Year.

10.5 Presentation by Mayor and Council of a picture of a cute critter that is available for adoption from our Palmdale Animal Care Center.

11. **WAIVER OF FULL READING OF RESOLUTION(S) and ORDINANCE(S)**
Staff Recommendation: Move to waive full reading of the Resolution (s) and/or Ordinance(s) to be considered and voted on at this meeting.

12. **PUBLIC COMMENTS**
Now is the time for public participation for any person wishing to speak to the City Council/Housing Authority on matters listed or not listed on the agenda, within the jurisdiction of the City Council/Housing Authority. If you are attending the meeting by phone, please press *9 to "raise your hand." If attending by personal computer, please click the "raise your hand" button. Press *6 to un-mute yourself, state your name and begin speaking. PLEASE NOTE: A three-minute limit is imposed on each speaker.

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

13.1 Approve the Second Amendment to Agreement between the Housing Authority of the City of Palmdale and The Salvation Army for Consultant Services for the Homeless Prevention and Rapid Rehousing Program (HPRP), Extending the Current Agreement for an Additional Two (2) Years and Increasing the Agreement by $213,836, for a New Not to Exceed Amount of $597,880. (Staff Reference: Housing Coordinator Mailes)

13.2 Approve the minutes from the previous meeting held on March 2, 2021 at 7:00 p.m. (Staff Reference: Authority Secretary Smith)

14. **ADJOURN HOUSING AUTHORITY**

15. **CONSENT CALENDAR**

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 Calendar and will be considered separately following this portion of the Agenda.

15.1 Ratify and Approve blanket purchase order 20210004 with Amazon Capital Services, Inc. dba Amazon Business in a combined amount not to exceed $260,000.00 for FY 20/21. (Staff Reference: Finance Manager Kang)

15.2 Receive and File the Monthly Investment Report for April 2021. (Staff Reference: Finance Manager Kang)

15.3 Approve an Agreement with HDL Coren & Cone for Property Tax Consulting/ Audit Services in an amount not to exceed $131,000. (Staff Reference: Finance Manager Kang)

15.4 Approve 32 Fireworks Booth Permits for non-Profit Organizations. (Staff Reference: Director of Economic and Community Development Saxton)

15.5 Approve Cost-Sharing Agreement with Antelope Valley Mall, LLC/CBRE and Harris AVM, LLC for Los Angeles County Sheriff's Deputy Patrol Services in the amount of $36,000. (Staff Reference: Director of Neighborhood Services Miller - Presented by Neighborhood Services Specialist Andrews, Public Safety Supervisor German)

15.6 Approve Agreement between the City of Palmdale and Insight Public Sector for the Renewal of Microsoft Enterprise Licensing, and Authorize the City Manager to execute all necessary documents. (Staff Reference: Information Technology Manager Thompson)

15.7 Adopt Resolution No. CC 2021-035, a Resolution of the City Council of the City of Palmdale of intention to continue assessments for fiscal year 2021/2022, preliminarily approving the Annual Engineer's Report and providing for Notice of Hearing for the City of Palmdale Drainage Benefit Assessment Districts No. 1 and No. 2006-02. (Staff Reference: Director of Public Works Heffernan)

15.8 Adopt Resolution No. CC 2021-037, a Resolution of the City Council of the City of Palmdale of intention to continue assessments for fiscal year 2021/2022, preliminarily approving the combined Annual Engineer's Report and providing for Notice of Hearing for the City of Palmdale Landscape Maintenance Assessment Districts and Annexations. (Staff Reference: Director of Public Works Heffernan)

15.9 Adopt Resolution No. CC 2021-039, a Resolution of the City Council of the City of Palmdale of intention to continue assessments for fiscal year 2021/2022, preliminarily approving the Annual Engineer's Report and providing for Notice of Hearing for the City of Palmdale Park Maintenance and Recreation Improvement District. (Staff Reference: Director of Public Works Heffernan)

15.10 Adopt Resolution No. CC 2021-041, a Resolution of the City Council of the City of Palmdale of intention to continue assessments for fiscal year 2021-2022, preliminarily approving the combined Annual Engineer's Report and providing for Notice of Hearing for the City of Palmdale Streetlight Maintenance Assessment Districts and Annexations. (Staff Reference: Director of Public Works Heffernan)

15.11 Adopt Resolution No. CC 2021-047, a Resolution of the City Council of the City of Palmdale adopting a list of projects for fiscal year 2021/2022 funded by SB1: The Road Repair and Accountability Act of 2017, the City is estimating to receive approximately $2,908,159. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

15.12 Notice of Completion - Accept Public Improvements for the Iglesia De Cristo Miel Chuch Expansion located at 1675 East Avenue Q-15, near 17th Street and Avenue R. (Staff Reference: Director of Public Works Heffernan)

15.13 Notice of Completion - Accept Public Improvements for Tract 60209 located at the southwest corner of Avenue M and 70th Street West. (Staff Reference: Director of Public Works Heffernan)

15.14 Notice of Completion - Accept Public Improvements for a new industrial building located at 650 Saint Andrew Way. (Staff Reference: Director of Public Works Heffernan)

15.15 Notice of Completion - Accept completed Capital Project No. 816, 40th Street East Rehabilitation Project (East Avenue S-4 to Noll Drive). (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

15.16 Approve Final Tract Map No. 82636-01 (Located at the northwest corner of Rancho Vista Blvd. and 15th Street West). (Staff Reference: Director of Public Works Heffernan)

15.17 Award construction contract with Sully-Miller Contracting Company for PN 805, The 2021 Arterial Overlay Project, in the amount of $2,067,000. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public

Works Glidden

15.18 Award construction contract with Manhole Adjusting, Inc. for PN 806, The 2021 Local Street Cape Seal Project, in the amount of $2,564,325. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

15.19 Award Bids No. 21-004-3300 to Walsma Oil Company, Inc. for diesel and unleaded fuel, motor oil and lubricants in the amount of $350,000. (Staff Reference: Director of Public Works Heffernan)

15.20 Approve Supplemental Agreement No. 1 for PN 751A, Sanitary Sewer Excavation Repairs, between the City of Palmdale and Atlas Underground, Inc. in the amount of $137,320.76. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

15.21 Notice of Completion - Accept completed Capital Project No. 751A, Sanitary Sewer Excavation Repair. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

15.22 Award Bid No. 21-001-3100 to All-State Utility Supply, Inc. for the purchase of streetlight poles and related items in the amount of $117,368 (Staff Reference: Director of Public Works Heffernan)

15.23 Approve Final Tract Map No. 63008 (Located south of Palmdale Blvd. between 65th and 70th Street East. (Staff Reference: Director of Public Works Heffernan)

15.24 CC/SA/PCA/PFA - Approve the minutes from the previous meetings. (Staff Reference: City Clerk/Agency/Authority Secretary Smith)

CC - May 4, 2021 (5:00 p.m.)
CC - May 6, 2021 (6:00 p.m. & 7:00 p.m.)
SA - May 6, 2021 (7:00 p.m.)
PCA - May 6, 2021 (7:00 p.m.)
PFA - May 6, 2021 (7:00 p.m.)

16. **APPOINTMENTS**

16.1 Approve the Nominations for Appointments to the Palmdale Public Arts Commission. (Staff Reference: City Clerk Smith)

16.2 Approve the Nominations for Appointments to the Palmdale Advisory Redistricting Commission. (Staff Reference: City Clerk Smith)

16.3 Approve Reappointments of District 3 and At-Large Planning Commissioners to the Planning Commission. (Staff Reference: City Clerk Smith)

17. PUBLIC HEARINGS

17.1 Public Hearing to hear public comments on the Draft 2021-2022 Action Plan programming $2,224,115 in Consolidated Plan funds; Review, approve, and submit the 2021-2022 Action Plan; and execute documents related to the submission of the Action Plan and sub-recipient agreements. (Staff Reference: Housing Coordinator Mailes)

17.2 Public Hearing and Adoption of Proposed Ordinance No. 1564 amending the Palmdale Municipal Code Title 16 Subdivisions. (Staff Reference: Director of Public Works Heffernan)

ADOPT ORDINANCE NO. 1564, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE MODIFYING TITLE 16: SUBDIVISIONS, OF THE CITY CODE REGULATING THE DESIGN, IMPROVEMENT AND SURVEY DATA OF SUBDIVISION AND CERTAIN OTHER DIVISIONS OF LAND AND THE FORM AND CONTENT OF TENTATIVE, FINAL AND PARCEL MAPS THEREOF.

Staff Recommendation: Adopt Ordinance No. 1564.

18. NEW BUSINESS

18.1 A Resolution of the City Council of the City of Palmdale Authorizing the issuance of the City of Palmdale's Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2021 Special Tax Refunding Bonds, and approving related documents and actions. (Staff Reference: Finance Manager Kang)

18.2 Adopt Resolution CC 2021-044, A Resolution of Intent of the City Council of the City of Palmdale proposing to establish the Palmdale Enhanced Infrastructure Financing District and establish a Public Financing Authority. (Staff Reference: Director of Economic and Community Development Carlene Saxton - Presented by Economic Development Manager Garibay)

19. INFORMATIONAL REPORT FROM MAYOR AND / OR COUNCILMEMBERS ON THEIR COMMITTEE MEMBERSHIPS AND MEETINGS ATTENDED AT PUBLIC EXPENSE.

    19.1 COMMITTEE MEMBERSHIPS.

    Attachments: Committee Membership Memos from Councilmember Bettencourt, Councilmember Bishop, and Councilmember Carrillo

    - ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
    - ANTELOPE VALLEY TRANSIT AUTHORITY
    - CALIFORNIA CONTRACT CITIES ASSOCIATION
    - CITY OF PALMDALE AUDIT COMMITTEE
    - CITY OF PALMDALE INVESTMENT OVERSIGHT COMMITTEE
    - HIGH DESERT CORRIDOR JOINT POWERS AUTHORITY
    - LEAGUE OF CALIFORNIA CITIES
    - LOS ANGELES COUNTY SANITATION DISTRICT
    - NORTH LOS ANGELES COUNTY TRANSPORTATION COALITION
    - PALMDALE RECYCLED WATER AUTHORITY
    - SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS REGIONAL COUNCIL
    - UNITED STATES/MEXICO SISTER CITIES ASSOCIATION
    - CALIFORNIA STATE PRISON – LOS ANGELES COUNTY, CITIZENS ADVISORY COMMITTEE

    19.2 MEETINGS ATTENDED AT PUBLIC EXPENSE

20. CITY COUNCIL REQUESTS FOR NEW AGENDA ITEMS.

21. CITY MANAGER'S REPORT

22. ADJOURN meeting to June 15, 2021 at 7:00 p.m. in the City Hall Council Chamber located at 38300 Sierra Highway, Suite B, Palmdale, California.

Housing Authority Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE CHAIR AND COMMISSIONERS**

FROM: **ADMINISTRATIVE SERVICES DEPARTMENT, COMMUNITY PROGRAMS DIVISION**

DISTRICT: **ALL**

SUBJECT: **APPROVAL OF THE SECOND AMENDMENT TO AGREEMENT NO. A-6332 BETWEEN THE HOUSING AUTHORITY OF THE CITY OF PALMDALE AND THE SALVATION ARMY FOR CONSULTANT SERVICES FOR THE HOMELESS PREVENTION AND RAPID REHOUSING PROGRAM (HPRP), EXTENDING THE CURRENT AGREEMENT FOR AN ADDITIONAL TWO (2) YEARS AND INCREASING THE AGREEMENT BY $213,836, FOR A NEW NOT TO EXCEED AMOUNT OF $597,880.**

ISSUE

Approve the Second Amendment to Agreement No. A-6332 between the Housing Authority of the City of Palmdale and The Salvation Army for Consultant Service for the Homeless Prevention and Rapid Rehousing Program (HPRP), extending the current agreement for an additional two (2) years and increasing the agreement by $213,836, for a new not to exceed amount of $597,880?

RECOMMENDATION

Staff recommends that the City Council approve the Second Amendment to Agreement No A-6332 between the Housing Authority of the City of Palmdale and The Salvation Army for Consultant Service for the Homeless Prevention and Rapid Rehousing Program (HPRP), extending the current agreement for an additional two (2) years and increasing the agreement by $213,836, for a new not to exceed amount of $597,880.

BACKGROUND

The Housing Authority of the City of Palmdale ("Authority") has Low and Moderate lncome Housing Asset Funds and has fulfilled all obligations required by Health and Safety Code Sections 33413 and 33418 The Authority can utilize up to $250,000 each fiscal year on Homeless Prevention Rapid Rehousing Activities. On June 6, 2017, The Housing Authority approved resolution HA 2017-004 establishing a Homeless Prevention and Rapid Rehousing Program (Program) pursuant to Section 34176.1(a)(2) to provide assistance for individuals and families who are homeless or would be homeless but for this assistance. The Salvation Army was selected through an RFP process to implement the program and provide services to eligible recipients. Program assistance may include

the provision of short-term or medium-term rental assistance, housing relocation and stabilization services including housing search, mediation, or outreach to property owners, credit repair, security or utility deposits, utility payments, rental assistance for a final month at a location, moving cost assistance, and case management, or other appropriate activities for homeless prevention and rapid rehousing of persons who have become homeless.

DISCUSSION

The second amendment to Agreement A-6332 will allow the Salvation Army to continue to provide Homeless Prevention Rapid Rehousing Services to residents who are homeless or at-risk of homelessness. To date, the program has assisted 31 unduplicated households with an average of $3,633 per household. Staff anticipate the need for these services will increase when the Eviction Moratorium is lifted on June 30, 2021. This second amendment will ensure HPRP services are available to respond to the needs in our community and address the longer-term impact of COVID-19 over the next two years.

Staff requests the City Council approve the Second Amendment to Agreement No A-6332 between the Housing Authority of the City of Palmdale and The Salvation Army for Consultant Service for the Homeless Prevention and Rapid Rehousing Program (HPRP), extending the current agreement for an additional two (2) years and increasing the agreement by $213,836, for a new not to exceed amount of $597,880.

FISCAL IMPACT

Housing Asset Funds are available in account 29364012 and have been requested in the 2022 and 2023 Fiscal Year Budget.

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.

Prepared by:	Terrie Zayas, Management Analyst
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, Executive Director
Approved as to form:	Christopher Beck, Authority Attorney

ATTACHMENTS

1. 2nd Amendment to Agreement No. A-6332

2nd AMENDMENT TO AGREEMENT A- 6332 BETWEEN THE HOUSING AUTHORITY OF THE CITY OF PALMDALE AND THE SALVATION ARMY

This 2nd Amendment to Agreement No. A- 6332 ("Agreement") between the Housing Authority of the City of Palmdale and "The Salvation Army" is made and entered into this 1st day of July, 2021 by and between the Housing Authority of the City of Palmdale (hereinafter called "HOUSING AUTHORITY") and The Salvation Army (hereinafter called "CONSULTANT").

WHEREAS, the HOUSING AUTHORITY and "The Salvation Army" entered into an agreement to provide:

Homeless Prevention and Rapid Rehousing Services;

WHEREAS, " CONSULTANT" represents that " CONSULTANT" has the expertise and is qualified to perform the services described in the Contract, and if required, is duly registered under the laws of the State of California.

WHEREAS, the term of the Agreement No. A-6332 between the HOUSING AUTHORITY and CONSULTANT is from 07/01/2018 to 06/30/2021; and

NOW THEREFORE, the parties agree as follows:

1. Section 4, Contract Term is extended for two years, commencing July 1, 2021;

2. Section 9, Compensation is increased by $213,836.00 for a new not to exceed amount of $597,880.00; and

3. Exhibit B, Fee Schedule shall be amended to read as follows:

Revised Activity Budget:

	Direct Financial Assistance	Program Delivery Costs
07/1/18-06/30/19	$ 16,454.44	$23,589.47
07/1/19-06/30/20	$ 78,795.76	$22,485.89
07/1/20-06/30/21	$ 32,554.44	$24,000.00
07/1/21-06/30/22	$176,000.00	$24,000.00
07/1/22-06/30/23	$176,000.00	$24,000.00

Total $597,880.00

Housing Quality Standard inspections of units will be conducted by City Staff.

Funding will be disbursed on a reimbursement basis. Program regulations limit the amount available for reimbursement to no more than $200,000 within a given fiscal year, July 1-June 30. Costs which will be allowable for reimbursement must be incurred during the contract period and may only include terms of expenditures

described in this contract, and as allowed by Section 34176.1(a)(2) and Housing Authority of the City of Palmdale HPRP Program.

4. All other terms and conditions remain in full force and effect.

In Witness Whereof, the parties hereto have caused this Contract to be executed and attested by their respective officers thereunto duly authorized.

HOUSING AUTHORITY OF THE CITY OF PALMDALE	The Salvation Army
JJ Murphy, ICMA-CM Date Executive Director	J. Koebel Date Captain
ADDRESS FOR NOTICE: Housing Authority of the City of Palmdale 38250 Sierra Highway Palmdale, CA 93550	ADDRESS FOR NOTICE: The Salvation Army 180 East Ocean Blvd, Suite 500 Long Beach, CA 90802
APPROVE AS TO FORM: Christopher L. Beck Authority Attorney	
ATTEST:	ATTEST: If Corporation
Shanae S. Smith Authority Secretary	Secretary

MINUTES
CC/SA/HA/PCA/PFA
CITY HALL COUNCIL CHAMBER
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
MARCH 2, 2021
5:00 PM & 7:00 PM

www.cityofpalmdale.org

1) CALL TO ORDER 5:00 P.M. CLOSED SESSION MEETING.

Mayor Hofbauer called the meeting to order at 5:03 p.m.

2) ROLL CALL: MAYOR HOFBAUER, MAYOR PRO TEM BETTENCOURT, COUNCILMEMBERS CARRILLO, LOA, AND BISHOP

PRESENT: Steven Hofbauer, Laura Bettencourt, Juan Carrillo, Richard J. Loa, Austin Bishop.

ABSENT: None.

3) CLOSED SESSION PUBLIC COMMENTS.

Resident Anthony Rivera spoke regarding the clean-up of the Barrel Springs Trail.

4) PRESENTATION BY CITY ATTORNEY of the following item(s) to be discussed in Closed Session:

City Attorney Beck stated all items would be heard as listed.

4.1) CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

City of Palmdale v. Jose Barrera, et al.
Los Angeles County Superior Court Case No. 19AVCV00737

This closed session is being held pursuant to the authority of California Government Code Sections 54956.9(a) and 54956.9(d)(1).

4.2) CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

CV Communities, et al. v. Antelope Valley-East Kern Water Agency, et al.
Los Angeles County Superior Court Case No. 20STCV10953

This closed session is being held pursuant to the authority of California Government Code Sections 54956.9(a) and 54956.9(d)(1).

4.3) CONFERENCE WITH REAL PROPERTY NEGOTIATORS

The reason for holding a closed session is for the purpose of obtaining authorization and direction from the City Council regarding the possible acquisition of property interests in the following property, generally located near 40th Street East and Avenue S-8:

Property Owner: TK Properties, LLC
Property: APNs 3052-006-001 and -002
City Negotiator: Chuck Heffernan, Director of Public Works

This closed session is being held pursuant to the authority of California Government Code Section 54956.8. Closed session is recommended because the City Council will be instructing the negotiator regarding terms and conditions, including price, for the possible purchase of the real property identified above.
City Attorney's Office

4.4) CONFERENCE WITH LABOR NEGOTIATORS

City representative: Patricia Nevarez, Human Resources Manager
Unrepresented employee: City Manager, J.J. Murphy

This Closed Session is being held pursuant to the authority of California Government Code Section 54957.6.

5) ANNOUNCEMENT BY CITY ATTORNEY of item(s) discussed in Closed Session.

All members of the City Council were present and able to participate in all matters.

Item 4.1 – Conference with Legal Counsel, City of Palmdale v. Jose Barrera: The City Council was provided an update on this matter, and provided unanimous direction to staff. There is no further reportable action at this time.

Item 4.2 – Existing Litigation, CV Communities v. AVEK: The City Council was provided an update on this matter and provided unanimous direction to staff. There is no further reportable action at this time.

Item 4.3 – Conference with Real Property Negotiators: The City Council was provided an update on this matter and provided unanimous direction to staff. There is no further reportable action at this time.

Item 4.4 – Conference with Labor Negotiators: The City Council received an update on this item and provided guidance to the Mayor.

6) ADJOURN CLOSED SESSION MEETING.

Mayor Hofbauer adjourned the Closed Session meeting at 6:30 p.m.

7) CALL TO ORDER 7:00 P.M. City Council/Successor Agency/Housing Authority/Palmdale Civic Authority/Palmdale Financing Authority

Mayor/Chair Hofbauer called the meetings to order at 7:00 p.m.

8) PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE IN HONOR OF OUR TROOPS.

9) ROLL CALL:
MAYOR/CHAIR HOFBAUER, MAYOR PRO TEM/ VICE CHAIR BETTENCOURT;
COUNCILMEMBERS/DIRECTORS/COMMISSIONERS CARRILLO, LOA, BISHOP;
COMMISSIONERS BROWN AND FRAGA-SAENZ

PRESENT: Steven Hofbauer, Laura Bettencourt, Juan Carrillo, Richard J. Loa, Austin Bishop, Bob Brown, Christina Fraga-Saenz
ABSENT: None

10) PRESENTATIONS:

10.1) City Manager Murphy presented the City of Palmdale's Warrior Award to Janelle Samson, Assistant Finance Manager.

10.2) City Manager Murphy presented the American Red Cross Proclamation for March 2021.

10.3) Public Safety Supervisor German presented pictures of the cute critters that were available for adoption from the Palmdale Animal Care Center.

11) PUBLIC COMMENTS ON HOUSING AUTHORITY CONSENT CALENDAR:

Public Comments: None.

12) HOUSING AUTHORITY CONSENT CALENDAR:

12.1) Review and Approve FY 2021 Mid-Year Budget Adjustments for Housing Authority. (Staff Reference: Assistant Finance Manager Samson)

12.2) Approve the minutes from the previous meeting held on February 2, 2021 at 7:00 p.m. (Staff Reference: Authority Secretary Smith)

Motion: Approve the item listed on the Housing Authority Consent Calendar.
Moved by Richard J. Loa, seconded by Steven Hofbauer.

Vote: (7-0)
Yes: Steven Hofbauer, Laura Bettencourt, Juan Carrillo, Richard J. Loa, Austin Bishop, Bob Brown, Christina Fraga-Saenz

13) JOINT NEW BUSINESS CC/HA/PCA/PFA:

13.1) Receive and file the Comprehensive Annual Financial Reports for the Year Ended June 30, 2020 for the City Of Palmdale, the Housing Authority of the City Of Palmdale, the Palmdale Civic Authority, the Palmdale Financing Authority, And the Palmdale Community Foundation.(Staff Reference: Finance Manager Kang)

Councilmember Bettencourt inquired about the current balance of funds in the Palmdale Community Foundation and suggested that staff provide current information to the public regarding donating. Finance Manager Kang reported that current the balance is $250,000.

Motion: Receive and file the Comprehensive Annual Financial Reports for the Year Ended June 30, 2020 for the City Of Palmdale, the Housing Authority of the City Of Palmdale, the Palmdale Civic Authority, the Palmdale Financing Authority, And the Palmdale Community Foundation.
Moved by Juan Carrillo, seconded by Laura Bettencourt.

Vote: (7-0)
Yes: Steven Hofbauer, Laura Bettencourt, Juan Carrillo, Richard J. Loa, Austin Bishop, Bob Brown, Christina Fraga-Saenz

14) ADJOURN HOUSING AUTHORITY MEETING.

Chair Hofbauer adjourned the meeting at 7:25 p.m.

15) WAIVER OF FULL READING OF RESOLUTION(S) and ORDINANCE(S):

Motion: Waive full reading of the Resolution (s) and/or Ordinance(s) to be considered and voted on at this meeting.
Moved by Richard J. Loa, seconded by Juan Carrillo.

Vote: Motion carried (5-0)
Yes: Steven Hofbauer, Laura Bettencourt, Juan Carrillo, Richard J. Loa, Austin Bishop.

Mayor Hofbauer requested that item 20.3 be heard at this time.

16) PUBLIC COMMENTS ON CONSENT CALENDAR ITEMS AND NON-AGENDA ITEMS.

Rosa Maynella, Council for prevention of Child Abuse, requested a Proclamation for Child Abuse Awareness Month for April and invited Council to be a part of a solidarity kick off event.

City Attorney Beck read the following eComments into the record: 1) Guest

User regarding signage at Loa Law Office; and 2) Guest User regarding gratitude in support of the New Colors Project.

Eugene Hernandez, spoke regarding terminating the Los Angeles County Sheriff's Department contract, a civilian review board, and Council salary.

17) CONSENT CALENDAR:

17.1) Adopt Resolution CC 2021-019, A Resolution of the City Council of the City of Palmdale to Terminate Agreement A-6846 and enter into Agreement A-7397 for and interfund loan from the General Fund to the Park Development Fund. (Staff Reference: Assistant Finance Manager Samson)

17.2) Receive and File the Monthly Investment Activity Reports for January 2021. (Staff Reference: Finance Manager Kang)

17.3) Notice of Completion - Accept Completed Capital Project No. 775, Domenic Massari Park Sidewalk Repair Project. (Staff Reference: Capital Improvement Program Manager Glidden)

This item was pulled for a brief presentation by Capital Improvement Program Manager Glidden.

Motion: Accept Completed Capital Project No. 775, Domenic Massari Park Sidewalk Repair Project.
Moved by Richard J. Loa, seconded by Juan Carrillo.

Vote: Motion carried (5-0)
Yes: Steven Hofbauer, Laura Bettencourt, Juan Carrillo, Richard J. Loa, Austin Bishop.

17.4) Notice of Completion - Accept Public Improvements for Palmdale Aerospace Academy Phase 2 Improvements. (Staff Reference: Director of Public Works Heffernan)

17.5) Notice of Completion - Accept Public Improvements for Palmdale Aerospace Academy Drainage Ditch Improvements. (Staff Reference: Director of Public Works Heffernan)
Public Works Department - Engineering Division

17.6) Notice of Completion - Accept Public Improvements for Tract 60209 Improvements. (Staff Reference: Director of Public Works Heffernan)

17.7) Adopt Resolution No. CC 2021-008, 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. (Staff Reference: Capital Improvement Program Manager Glidden)

17.8) Approve Agreement No. A-7342 with the Mattress Recycling Council for Grant Funds in the amount of $33,452. (Staff Reference: Environmental & Technology Manager Lucha)

17.9) Adopt Resolution No. CC 2021-014, a resolution of the City Council of the City of Palmdale accepting the "Offer to Dedicate" as shown in Instrument No. 87 317106 which was recorded in the Los Angeles County Recorder's Office on March 3, 1987. (Staff Reference: Director of Public Works Heffernan)

17.10) Approve Agreement No. A-7383 with NBS Government Finance Group to provide Annual Assessment and and Special District Levy Administration Services for five years for a total contract amount of $765,000. (Staff Reference: Director of Public Works Heffernan)

17.11) Adopt Resolution No. CC 2021-011, a resolution of the City Council of the City of Palmdale approving the application for Statewide Park Development and Community Revitalization Program Grant Funds for Melville J. Courson Park. (Staff Reference: Capital Improvement Program Manager Glidden)

17.12) Adopt Resolution No. CC 2021-021, a Resolution of the City Council of the City of Palmdale continuing the Proclamation of a Local Emergency resulting from Coronavirus Disease (COVID-19). (Staff Reference: Director of Administrative Services Ambrose)
Administrative Services - Emergency Management

17.13) Adopt Resolution No. CC 2021-020, a resolution of the City Council of the City of Palmdale in support of increased broadband access to underserved communities throughout Southern California. (Staff Reference: Information Technology Manager Thompson)

17.14) CC/SA - Approve the minutes from the previous meetings. (Staff Reference: City Clerk/Agency Secretary Smith)

CC – February 2, 2021 (5:00 p.m. & 7:00 p.m.)
SA- February 2, 2021 (7:00 p.m.)

Motion: Approve all items listed on the consent calendar with the exception of Item 17.3.
Moved by Richard J. Loa, seconded by Juan Carrillo.

Vote: Motion carried (5-0)
Yes: Steven Hofbauer, Laura Bettencourt, Juan Carrillo, Richard J. Loa, Austin Bishop.

18) APPOINTMENT:

18.1) Approve Mayor's nominations for appointments to the Human Rights Advisory Committee. (Staff Reference: City Manager Murphy)

Motion: Move item 18.1 to be heard after 19.4
Moved by Juan Carrillo, seconded by Laura Bettencourt.

Vote: Motion carried (4-1)
Yes: Laura Bettencourt, Juan Carrillo, Richard J. Loa, Austin Bishop.
No:
Steven Hofbauer.

A motion was made by Councilmember Carrillo to table this item, the motion died for a lack of a second.

City Manager Murphy provided a brief overview of the staff report. Discussion ensued among Council and City Manager Murphy regarding recommendations made, and number of applicants.

Motion: Move to approve Mayor's nominations for appointments to the Human Rights Advisory Committee.
Moved by Richard J. Loa, seconded by Austin Bishop.

Vote: Motion carried (5-0)
Yes: Steven Hofbauer, Laura Bettencourt, Juan Carrillo, Richard J. Loa, Austin Bishop.

19) PUBLIC HEARING:

19.1) Public Hearing and Review of Proposed Ordinance No. 1559 for adoption. (Staff Reference: Planning Manager Megan Taggart)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE TO MODIFY PALMDALE MUNICIPAL CODE CHAPTER 17.76 (LAND USE MATRIX) (ZOA 21-005)

Planning Manager Taggart read the title of Ordinance No. 1559.

A motion was made and carried unanimously to introduce Ordinance No. 1559.

Mayor Hofbauer opened the Public Hearing.

Testimony: None.

A motion was made and carried unanimously to close the Public Hearing.

Planning Manager Taggart provided a summary of the staff report.

Councilmember Carrillo inquired regarding warehousing of hazardous materials and staff responded the current zone change is related to uses that do not require a use permit.

Motion: Adopt Ordinance No. 1559.
Moved by Austin Bishop, seconded by Richard J. Loa.

Vote: Motion carried (5-0)
Yes: Steven Hofbauer, Laura Bettencourt, Juan Carrillo, Richard J. Loa, Austin Bishop.

19.2) Public Hearing and Review of Proposed Ordinance No. 1560 for adoption. (Staff Reference: City Attorney Beck)

ORDINANCE NO. 1560, AN ORDINANCE OF THE CITY OF PALMDALE CONTINUING A TEMPORARY SUSPENSION OF SECTION 5.04.670(H)(4) OF THE PALMDALE MUNICIPAL CODE PROHIBITING THE SALE OF FLAVORED ELECTRONIC CIGARETTE PRODUCTS

City Attorney Beck read the title of Ordinance No. 1560.

A motion was made an carried unanimously to introduce Ordinance 1560.

Mayor Hofbauer opened the public hearing.

A motion was made and carried unanimously to close the Public Hearing.

City Attorney Beck provided a brief overview of the staff report. Councilmember Loa inquired on the current status of statewide sales of flavored tobacco. A discussion ensued.

Motion: Adopt Ordinance No. 1560.
Moved by Juan Carrillo, seconded by Austin Bishop.

Vote: Motion carried (5-0)
Yes: Steven Hofbauer, Laura Bettencourt, Juan Carrillo, Richard J. Loa, Austin Bishop.

19.3) Public Hearing and Review of Proposed Ordinance No. 1562 for adoption. (Staff Reference: City Attorney Beck)

ORDINANCE NO. 1562, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE AMENDING THE PALMDALE MUNICIPAL CODE SECTION 2.04.100 REGARDING PROCEDURE FOR REMOVAL OF THE CITY MANAGER.

City Attorney Beck read the title of Ordinance No. 1562.

A motion was made and carried with Mayor Hofbauer, Mayor Pro Tem Bettencourt, Councilmember Carrillo voting, "Yes", and Councilmember Loa, and Councilmember Bishop voting "No" to introduce Ordinance 1562.

Mayor Hofbauer opened the public hearing.

Testimony: None.

A motion was made and carried unanimously to close the Public Hearing.

There was Council discussion regarding 4/5 vote, mortgage, severance package, and Measure AV funds.

Motion: Adopt Ordinance No. 1562.
Moved by Laura Bettencourt, seconded by Juan Carrillo.

Vote: Motion carried (3-2)
Yes: Steven Hofbauer, Laura Bettencourt, Juan Carrillo.
No: Richard J. Loa,
Austin Bishop.

19.4) Public Hearing and Review of Proposed Ordinance No. 1561 for adoption. (Staff Reference: City Manager Murphy)

ORDINANCE NO. 1561, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE AMENDING THE PALMDALE MUNICIPAL CODE SECTION 2.08.030 REGARDING APPOINTMENTS TO BOARDS AND COMMISSIONS BY THE CITY COUNCIL

City Manager Murphy read the title of Ordinance No. 1561.

A motion was made and carried unanimously to introduce Ordinance No. 1561.

Mayor Hofbauer opened the Public Hearing.

Testimony: None.

A motion was made and carried unanimously to close the Public Hearing.

City Manager Murphy provided a brief overview of the staff report. Councilmember Loa asked if nominations were restricted to districts. A discussion ensued.

A motion was made and carried unanimously to re-open the Public Hearing.

Resident, Dave Bowman commented on the appointment process for Measure AV.

Discussion ensued regarding working collaboratively, and equal balance of power related to appointments.

Motion: Adopt Ordinance No. 1561 with minor amendments.
Moved by Juan Carrillo, seconded by Richard J. Loa.

Vote: Motion carried (4-1)
Yes: Laura Bettencourt, Juan Carrillo, Richard J. Loa, Austin Bishop.
No:
Steven Hofbauer.

20) NEW BUSINESS:

20.1) Adopt Resolution No. CC 2021-015, A Resolution of the City Council of the City of Palmdale adopting the Sewer Maintenance District Reserve Policy. (Staff Reference: Finance Manager Kang)

Mayor Hofbauer called for a 5-minute recess.

Finance Manager Kang read the title of Resolution No. CC 2021-015 provided an overview of the staff report.

Motion: Adopt Resolution No. CC 2021-015.
Moved by Richard J. Loa, seconded by Juan Carrillo.

Vote: Motion carried (5-0)
Yes: Steven Hofbauer, Laura Bettencourt, Juan Carrillo, Richard J. Loa, Austin Bishop.

20.2) Adopt Resolution No. CC 2021-017, A Resolution of The City Council Of The City Of Palmdale Authorizing an Interfund Loan Assignment of $4.5 Million to The Sewer Maintenance Fund.(Staff Reference: Finance Manager Kang)

Finance Manager Kang read the title of Resolution No. CC 2021-017 and provided a brief overview of the staff report.

Motion: Adopt Resolution No. CC 2021-017.
Moved by Richard J. Loa, seconded by Laura Bettencourt.

Vote: Motion carried (5-0)
Yes: Steven Hofbauer, Laura Bettencourt, Juan Carrillo, Richard J. Loa, Austin Bishop.

20.3) Adopt Resolution No. CC 2021-016, a resolution of the City Council of the City of Palmdale approving execution of a Letter of Credit and filing of Advice Letter to satisfy the financial security requirement; filing of the initial renewable portfolio standards procurement plan; and filing of year-ahead resource adequacy forecast. (Staff Reference: Environmental & Technology Manager Lucha)

This item was pulled out of order and heard after Item 16.

Benjamin Lucha read the title of Resolution No. CC 2021-016 and presented an overview of the staff report.

Discussion ensued among Councilmembers and staff regarding public benefits, developer benefits, competing for grant funds, green energy, and micro-grid systems.

Motion: Adopt Resolution No. CC 2021-016.
Moved by Richard J. Loa, seconded by Juan Carrillo.

Vote: Motion carried (5-0)
Yes: Steven Hofbauer, Laura Bettencourt, Juan Carrillo, Richard J. Loa, Austin Bishop.

20.4) Provide direction regarding 2021 Redistricting Program and the formation of the redistricting commission. (Staff Reference: Director of Administrative Services Ambrose)

Director of Administrative Services Ambrose provided a PowerPoint presentation to Council. Discussion ensued among Council and staff regarding the timeline for Commission creation, the delay in release of census data scheduled for September 30,2021, and whether there is a limit to the amount of districts. City Manager Murphy suggested that this item be heard at the March 16th Workshop to give Council time to review the redistricting information provided by staff. He also stated a demographer will be provided at the next meeting to answer questions.

Motion: Table this item to the March 16, 2021 meeting, and direct staff to research possible charter amendments to include a 5th district and rotational Mayor for the four-year Mayor position.
Moved by Richard J. Loa, seconded by Austin Bishop.

Vote: Motion carried (5-0)
Yes: Steven Hofbauer, Laura Bettencourt, Juan Carrillo, Richard J. Loa, Austin Bishop.

21) MAYOR AND COUNCILMEMBER REPORTS - COMMITTEE MEMBERSHIPS AND MEETINGS ATTENDED AT PUBLIC EXPENSE.

21.1) VARIOUS COMMITTEE MEMBERSHIPS.

Attachments: Committee Membership Memos from Councilmember Bettencourt, Councilmember Bishop, and Councilmember Carrillo

- ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
- ANTELOPE VALLEY TRANSIT AUTHORITY - Councilmember Loa stated the AVTA briefing was on February 16th and he attended the

board meeting on February 23rd and the board voted to purchase six electric buses. Councilmember Loa announced the AVTA is the first electrified transportation entity in the nation.

- CALIFORNIA CONTRACT CITIES ASSOCIATION
- CITY OF PALMDALE AUDIT COMMITTEE
- CITY OF PALMDALE INVESTMENT OVERSIGHT COMMITTEE
- HIGH DESERT CORRIDOR JOINT POWERS AUTHORITY
- LEAGUE OF CALIFORNIA CITIES
- LOS ANGELES COUNTY SANITATION DISTRICT
- NORTH LOS ANGELES COUNTY TRANSPORTATION COALITION
- PALMDALE RECYCLED WATER AUTHORITY
- SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS REGIONAL

COUNCIL - Councilmember Loa attended the SCAG transportation committee meeting that was held with Congressman Tony Cardenes regarding receiving assistance with inclusion on the transportation bill for the intersection of Rancho Vista and Sierra Highway.

- UNITED STATES/MEXICO SISTER CITIES ASSOCIATION
- CALIFORNIA STATE PRISON – LOS ANGELES COUNTY, CITIZENS ADVISORY COMMITTEE

Councilmember Loa attended the Palmdale Sheriff's Booster meeting on February 3rd and a Veterans Day event.

Mayor Pro Tem Bettencourt announced March 2021 as Women's History Month, and March 8th as International Women's Day. She announced the motto this year is "Choose to Challenge," and with challenge comes change, Women should always stand up for themselves and that they belong in all places where decisions are being made.

Councilmember Bishop thanked everyone for helping to clean up the desert.

Mayor Pro Tem Bettencourt recommended that Councilmember Bishop meet with the Sheriff's Department's illegal dumping crew to get ideas regarding clean-up and enforcement. Mayor Hobauer directed City Attorney Beck to provide a report on arrests and filings and explore ordinance possibilities related to illegal dumping. City Attorney Beck stated it will be a part of the comprehensive report.

Mayor Hofbauer reported participating in a discussion with a Medal of Honor recipient. He also announced an open position at the Antelope Valley Mosquito & Vector Control Distict due to the retirement of the Executive Director.

21.2) MEETINGS ATTENDED AT PUBLIC EXPENSE.

21.3) CITY MANAGER'S REPORT.

City Manager Murphy announced to the public that the City's website will have the ongoing area vaccine sites in the Antelope Valley. He thanked dedicated staff, the incredible community members, non-profit educational and aerospace partners, and engaged elected officials for their continued support.

22) CITY COUNCIL REQUESTS FOR NEW AGENDA ITEMS.

Councilmember Loa requested staff draft a Resolution for March 2021 supporting the women's movement, women's rights, and celebrating International Women's Month.

Mayor Hofbauer requested: 1) Basic timeline and process for charter amendments, and 2) Temporary suspicion of mileage reimbursement. City Attorney Beck will provide a report on mileage at the March 16th meeting.

Councilmember Carrillo suggested a fireworks show for the 4th of July and requested City Attorney Beck to research to see if there are restrictions.

23) ADJOURNMENT.

Mayor Hofbauer adjourned the meeting at 9:25 p.m. to March 16, 2021 at 7:00 p.m. in the City Hall Council Chamber located at 38300 Sierra Highway, Suite B, Palmdale, California.

PASSED, APPROVED, and ADOPTED on this 1st day of June 2021.

_____
Steven D. Hofbauer, Mayor

ATTEST:

_____
Shanae S. Smith, City Clerk

City Council Staff Report

DATE: **JUNE 01, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **RATIFY AND APPROVE BLANKET PURCHASE ORDER 20210004 WITH AMAZON CAPITAL SERVICES, INC. DBA AMAZON BUSINESS IN A COMBINED AMOUNT NOT TO EXCEED $260,000.00 FOR FY 20/21.**

ISSUE

Ratify and Approve blanket purchase order 20210004 with Amazon Capital Services, Inc. dba Amazon Business in a combined amount not to exceed $260,000.00 for FY 20/21.

RECOMMENDATION

Staff recommends that the City Council Ratify and Approve blanket purchase order 20210004 with Amazon Capital Services, Inc. dba Amazon Business in a combined amount not to exceed $260,000.00 for FY 20/21.

BACKGROUND

The City established an Amazon Business Prime account through a cooperative purchasing agreement through U.S. Communities Contract No. R-TC-17006 with Amazon Capital Services to procure Office & Operating Supplies, Program Supplies, Equipment, Technology Equipment, and Furniture. The use of Cooperative Purchasing is authorized in Palmdale Municipal Code §3.08.090 for the City to participate with other public agencies and/or with non-profit groups or organizations for the purpose of cooperative purchasing. Cooperative purchasing is a fiscally responsible approach for the City to streamline the purchasing process saving time and resources that would have been spent on preparing and conducting formal Invitation for Bids for a myriad of products. Besides reducing administrative costs, the City is already a member of US Communities National Cooperative Purchasing Program and achieves additional savings through competitive pricing.

On March 17, 2020, the City Council reviewed and ratified the Director of Emergency Services' Proclamation of a Local Emergency Resolution No. CC 2020-048 resulting from Coronavirus Disease 2019 (COVID-19). As part of the response to the coronavirus pandemic, the City began procuring PPE supplies for City Staff members

and members of the community when visiting City Facilities. On April 10, 2020, to assist in the efforts of procuring scarce and critical PPE supplies, Amazon Capital Services provided the City access to the front-line government account. The front-line government account with Amazon Capital Services provided the City with access to order critical PPE supplies in a timely, cost effective, and efficient way.

DISCUSSION

The City established blanket Purchase Order 20210004 with Amazon Capital Services in July 2020 in the amount of $99,840 for City Staff to procure Office & Operating Supplies, Program Supplies, Equipment, Technology Equipment, and Furniture. Due to unforeseeable City department change order requests, blanket Purchase Order 20210004 has a balance of $150,000, with total Purchase Order liquidated amount of $80,740, as of May 3, 2021.

Through the front-line government account with Amazon Capital Services, the City has procured PPE supplies and work-from-home technology equipment without the use of Purchase Order 20210004, due to CARES Act tracking purposes. As of May 3, 2021, the City has liquidated $89,833 in FY 20/21. A total amount of $163,481 for PPE's purchases have been claimed under the CARES Act.

Staff recommends that the City Council Ratify and Approve blanket purchase order 20210004 with Amazon Capital Services, Inc. dba Amazon Business in a combined amount not to exceed $260,000.00 for FY 20/21.

FISCAL IMPACT

Purchase Order 20210004 and all other COVID-19 related expenditures with Amazon Capital Services will not-to-exceed $260,000.00. Funds for this Purchase Order and all other expenditures with Amazon Capital Services are currently budgeted in Office, Operating, Program Supplies, Equipment & Furniture less than $5K, and General City Accounts. A total amount of $163,481 for PPE's purchases have been claimed under the CARES Act.

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.

B. Be prepared to protect life, property, and the environment in the event of catastrophic disasters and emergencies.

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.

Prepared by:	Keith Kang, Finance Manager
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Attachment ‘A’ - Prince William County Public Schools-Amazon Services, LLC dba Amazon Capital Services, Inc. US Communities Contract No. R-TC-17006.
2. Purchase Order 20210004 Amazon Capital Services, Inc.

DocuSign Envelope ID: B8AB262A-C752-45A5-81ED-70E5A94670DE

Prince William County
PUBLIC SCHOOLS
Providing A World-Class Education

CONTRACT MODIFICATION

MODIFICATION #3 **ISSUE DATE: March 7, 2018**

REFERENCE:

Title:	On-Line Marketplace for the Purchase of Goods and Services
Contractor:	Amazon Services LLC
Period of Contract:	January 18, 2017 through January 18, 2022

Modify the above referenced contract as follows:

1. Add the following to the General Terms and Conditions under 3. Debarment Status:

3.1. Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide Excluded Parties List System in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1986 Comp., p. 189) and 12689 (3 CFR Part 1989 Comp., p. 235), ‘‘Debarment and Suspension.’’ The Excluded Parties List System in SAM contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Except for the changes provided herein, all other terms and conditions of this contract remain unchanged and in full force and effect.

Jim Totty
Jim Totty, CPPO, C.P.M.
Supervisor of Purchasing

Amazon Services LLC

DocuSigned by:
Anne Rung
58F45C4A6E4F4C6...
Signature

Anne Rung Director
Name and Title

March 28, 2018

PRINCE WILLIAM COUNTY PUBLIC SCHOOLS

DocuSigned by:
Jim Totty
4D8812DC39147B...
Signature

Jim Totty, CPPO, C.P.M.
Supervisor of Purchasing

March 27, 2018

legal

DocuSign Envelope ID: B8AB262A-C752-45A5-81ED-70E5A94670DE

Date

Date

DocuSign Envelope ID: 2A5516E8-53F8-4234-807B-6A939D21982A

CC MISC 00005512 2018 TR

Prince William County
PUBLIC SCHOOLS
Providing A World-Class Education

CONTRACT MODIFICATION

MODIFICATION #2 **ISSUE DATE: January 19, 2018**

REFERENCE: Title: On-Line Marketplace for the Purchase of Goods and Services
Contractor: Amazon Services, LLC
Period of Contract: January 18, 2017 through January 18, 2022

Modify the above referenced contract as follows:

1. All references in the Contract to free two-day shipping on orders of $49 or more are hereby deleted.

Except for the changes provided herein, all other terms and conditions of this contract remain unchanged and in full force and effect.

Jim Totty
Jim Totty, CPPO, C.P.M.
Supervisor of Purchasing

Amazon Services, LLC

DocuSigned by:
Prentis Wilson
7BA8AF34EE3F439...
Signature

Prentis Wilson VP, Amazon Business
Name and Title

January 26, 2018
Date

PRINCE WILLIAM COUNTY PUBLIC SCHOOLS

Signature

Jim Totty, CPPO, C.P.M.
Supervisor of Purchasing

1-29-18
Date

DocuSign Envelope ID: C23264C6-DE04-4C8D-B382-C79987D977DB

DocuSign Envelope ID: 5777111E-943F-4CE1-AB66-F2C871C29C49

CC MISC 00047423 2017 TR

Prince William County
PUBLIC SCHOOLS
Providing A World-Class Education

CONTRACT MODIFICATION

MODIFICATION #1 **ISSUE DATE: November 17, 2017**

REFERENCE:

Title:	On-Line Marketplace for the Purchase of Goods and Services
Contractor:	Amazon Services LLC
Period of Contract:	January 18, 2017 through January 18, 2022

Modify the above referenced contract as follows:

1. The following states may now use the contract: Hawaii, Vermont and Maine.

2. Date corrections on the Memorandum of Negotiations are as follows:

   - Change the date on PWCS General Terms and Conditions header from December 16, 2016 to January 19, 2017. All terms and conditions remain the same.

   - Change the contract term expiration date from December 31, 2021 to January 18, 2022. The renewal options remain the same.

   - Section d., latest Amazon's Business Accounts Terms and Conditions, per attachment, dated November 15, 2017.

3. Add the following Special Provision:

   10.7. ADDITION OF BUSINESS PRIME SHIPPING. Contractor's Business Prime Shipping Program (currently described here) is hereby added to the Contract. PWCS may enroll in and access the Business Prime Shipping Program's benefits at no charge during a limited promotional period, commencing on January 1, 2018 and ending on December 31, 2018. PWCS' access and use of the Business Prime Shipping Program will be pursuant to the Business Prime Shipping Program's terms and conditions (currently available here).

DocuSign Envelope ID: C23264C6-DE04-4C8D-B382-C79987D977DB

DocuSign Envelope ID: 5777111E-943F-4CE1-AB66-F2C871C29C49

Except for the changes provided herein, all other terms and conditions of this contract remain unchanged and in full force and effect.

Jim Totty

Jim Totty, CPPO, C.P.M.
Supervisor of Purchasing

Amazon Services LLC

DocuSigned by:
Prentis Wilson
7BA8AF34EE3F439...
Signature

Prentis Wilson VP, Amazon Business
Name and Title

November 28, 2017
Date

PRINCE WILLIAM COUNTY PUBLIC SCHOOLS

Signature

Jim Totty, CPPO, C.P.M.
Supervisor of Purchasing

11/27/17
Date

Amazon Business Accounts Terms & Conditions

Last updated November 15, 2017

These terms and conditions ("**Terms**") govern your access to and use of a set of features, services, and functionality on Amazon.com for registered business customers to purchase products and use services for business purposes ("**Amazon Business**"). These Terms constitute an agreement between Amazon Services LLC and/or its affiliates ("**Amazon**," "**we**," "**us**," or "**our**") and the entity you represent ("**you**"). Please note that your use of Amazon Business is also governed by Amazon's Conditions of Use and the Amazon.com Privacy Notice, as well as all other applicable terms, conditions, policies, limitations, and requirements on the Amazon.com website, all of which (as changed over time) are incorporated into these Terms. Capitalized terms have the meanings given to them in these Terms or the Conditions of Use.

1. REGISTRATION

An organization has a Business Account with Amazon once an individual associated with the organization registers the business and creates the first business user account associated with that organization. That individual can invite others to be part of the organization's Business Account. Each additional user that purchases or otherwise acts on behalf of the business and joins the organization's Business Account must create a new business user account that is part of and associated with the organization's Business Account. Business Accounts and business user accounts are intended for businesses and business-related organizations and may be used solely for business purposes. To create a business user account, users must use a valid email address. Unless explicitly permitted, a user may only create one account per email address. If a user creates a business user account using the email address and password connected to an existing Amazon customer account, the user must either (a) change the email address and password associated with the existing account, or (b) if the user wishes to have only one account, convert the existing account into a business user account (which may make business user account information visible to others as described in Section 2). Once you complete the Business Account registration and verification process, your organization will be registered with Amazon.

2. ACCOUNT MANAGEMENT

You are responsible for all activities that occur under your organization's Business Account and any associated business user accounts, regardless of whether the activities are undertaken by you, your employees or a third party (including your contractors or agents). Except to the extent caused by our breach of these Terms, we and our affiliates are not responsible for unauthorized access to your Business Account or business user accounts. You are solely responsible for maintaining the security of your password. You may not disclose your password to any third party (other than third parties authorized by you to use your Business Account or associated business user accounts in accordance with these Terms) and are solely responsible for any use or action taken under your password. You will contact us immediately if you believe an unauthorized third party may be using your Business Account or associated business user accounts or if your Business Account or any business user

account information is lost or stolen. You are responsible for ensuring that all users affiliated with your organization's Business Account are aware of and comply with these Terms.

We may give users the ability to invite other individuals affiliated with your organization to create business user accounts that are associated with the organization's Business Account and purchase, approve or act as an administrator on behalf of your organization. Administrators have the ability to invite other users to join the Business Account and to administer, manage, or close business user accounts. You will be responsible for all actions taken by Business Account users. You acknowledge that users may have access to information from your Business Account and associated business user accounts, such as shipping addresses, payment methods, and order history. Administrators are responsible for inviting only people affiliated with, and authorized to act on behalf of, your organization to create a business user account that is associated with your organization's Business Account. Any user designated as an administrator will have similar capabilities to manage Business Account features and invite new users to purchase, approve or act as an administrator on behalf of your organization. You agree that Amazon is not responsible for, and will have no liability arising from, the disclosure of the information of your organization or any associated business user accounts to any user associated with your organization.

If any user with a business user account that is associated with your Business Account leaves your organization or is no longer authorized to purchase, approve or otherwise act on behalf of your organization, you are solely responsible for contacting Amazon through tools we designate to have that user's business user account closed, disabled or removed from the organization's Business Account. Amazon disclaims all liability for, and you are solely responsible for, any actions taken or purchases made prior to closing, disabling or removing the user's business user account from the organization's Business Account. Please review our Amazon Business Help carefully for more information on the effects of disabling or removing a business user account from your organization's Business Account. Please note that a business user account that is removed is converted back into a personal account, with the individual able to access order history for purchases made using an individual payment method while associated with the organization's Business Account.

If you, as an individual user, create a business user account that is associated with an organization's Business Account, you acknowledge and consent that your organization and designated individuals acting as administrators have full access to and authority over (a) your business user account (with the ability to close or disable your business user account or remove it from the business and convert it into a personal account), and (b) details from your business user account, such as, and not limited to: order history, addresses, payment details, and other personal information associated with your business user account. By creating a business user account that is associated with an organization's Business Account, you, as an individual user, consent to sharing this information with your organization and its designated representatives and agree to release Amazon for any and all liability for any of your business user account information provided to or used by your organization, the administrator(s) of your organization, and any other users associated with your organization. If you order a product using an individual payment method (e.g., personal credit card) and you or your administrator requests, and Amazon provides, a replacement of this item, you consent that we may charge any eligible payment method we have on record for your business user account for any replacement product sent to your business if the original product is not returned within 30 days of you or your administrator's request for replacement.

3. BUSINESS AND ORDER VERIFICATION

We may use the business name, address, taxpayer ID# and any other information you provide about your organization or users or that we may request or determine is necessary to verify accuracy and eligibility for Amazon Business. We may make, directly or through third parties, inquiries to validate information that you provide to us. We may accept or refuse use of Amazon Business at our discretion and may modify purchasing rights or privileges at any time. We may share any information or documents you provide with third-party sellers that offer certain Amazon Business features for verification purposes.

Certain products require licensing, certification or other credentials to purchase them. To purchase such products, you must provide us with a valid license, certification or other credentials (collectively, the "**Credentials**"), as determined in our sole discretion. We may use information you provide, as well as information relating to your account such as your business name and address, to verify the Credentials, and we may request additional information from you to assist in that verification. We may, in our sole discretion and at any time, suspend or terminate your ability to purchase such products.

4. THIRD-PARTY SERVICE PROVIDERS

Amazon Business may enable third party service providers ("providers") to integrate with Amazon Business. If you choose to use such a provider in connection with your Business Account, you authorize Amazon to disclose to the provider account information, including, without limitation, information regarding you, your Users, your employees or agents, and your and your User's orders. You acknowledge this information will be governed by the provider's privacy, data and security policies. You and your Users consent to Amazon's sharing this information with the provider and agree that Amazon is not responsible for and will have no liability arising from Amazon's disclosure of, or any provider's use of, this information.

Amazon is not responsible for any services provided by the provider. You are responsible for the approvals of Amazon orders, verification of shipping addresses and any disputes regarding orders, and you agree that Amazon will have no liability arising in any way from your use of the provider, including, but not limited to, any unauthorized charges you or your employees or agents incur.

5. REPRESENTATIONS, WARRANTIES AND COVENANTS

You represent, warrant and covenant that:

(a) you are using Amazon Business for business purposes and you agree that you will not purchase any products from Amazon.com for individual, personal, family or household use;

(b) your organization is duly organized, validly existing and in good standing in the jurisdiction in which your organization is registered;

(c) the individual entering into these Terms on behalf of your organization has all necessary legal authority to bind you to these Terms;

(d) you have all requisite right, power, and authority to enter into these Terms, perform your obligations, and grant the rights and authorizations in these Terms;

(e) any information provided or made available by you to Amazon or its affiliates is at all times accurate and complete;

(f) you and all your subcontractors and agents will comply with all applicable laws, rules, regulations, codes, orders and other requirements of governmental agencies ("**Laws**") in your performance of your obligations and exercise of your rights under these Terms and with your purchase and use of any products from Amazon.com;

(g) all users who use business features or purchase on behalf of your organization are authorized to do so and all purchases made by these users are authorized purchases of your organization;

(h) any Credentials, and all documentation or other information you provide to us to validate such Credential, are accurate, complete and reflect your Credential status, and that you will provide updates, additional Credentials or supporting information as required to ensure all such documentation or information remains up-to-date at all times;

(i) the provision to Amazon of any Credentials and related information, any delegation of purchasing authority under any Credentials and all purchases made using the Credentials are with the authority of the Credential holder;

(j) you will only purchase products requiring Credentials as permitted under any Laws and within the scope of any Credential you provide;

(k) if your Business Account has a tax exemption certificate associated with it, any tax exempt purchase made from business user accounts are paid for with the organization's funds;

(l) unless authorized by Amazon, you will not use any product purchased from Amazon.com in connection with, or to fulfill, a federal, state, or local government contract or subcontract, if doing so could subject Amazon to any term, condition, obligation or other provision different from or in addition to the provisions of these Terms;

(m) you will use any products purchased from Amazon.com as intended by the manufacturer and in compliance with all product information provided by the manufacturer;

(n) your purchase of products from us will not, either by your export of those products, your sale or use of those products, your legal status or otherwise, cause us to violate any Law;

(o) you are not an agent of Amazon and agree to comply with the applicable provisions of the Foreign Corrupt Practices Act. You are not on, or associated with, any person or entity on any of the blocked, denied or debarred persons and entities lists maintained by the U.S. Department of Commerce's Bureau of Industry and Security, the U.S. Department of the Treasury's Office of Foreign Assets Control or the U.S. Department of State's Directorate of Defense Trade Controls (collectively, "**Denied Persons Lists**"); or subject to a denial order issued by the U.S. Department of Commerce. You agree (i) not to export any product to any entity or person within any country subject to United States economic sanctions or embargoes without obtaining prior authorization from the United States government, (ii) not to export or provide items to persons that are ineligible under United States Law to receive those items, including but not limited to persons on any Denied Persons List, and (iii) that any products purchased by you will not be used, or made available to a third party for use, in any activities directly or indirectly related to Weapons of Mass Destruction (WMD) proliferation activities; and

(p) you agree to comply with the Healthcare Disclosure Policies if you purchase products that are reimbursable under Medicare, Medicaid, or other federal or state healthcare programs.

6. LICENSE

Subject to your compliance with these Terms and your payment of any applicable fees, Amazon or its content providers grant you a limited, non-exclusive, non-transferable, non-sublicensable license to access and use Amazon Business solely in accordance with these Terms. This license does not include the right to resell any Amazon Business feature; any collection and use of any product listings, descriptions, or prices; any derivative use of Amazon Business; any downloading or copying of Amazon Business information for the benefit of another merchant; or any use of data mining, robots, or similar data gathering and extraction tools. All rights not expressly granted to you in these Terms are reserved and retained by Amazon or its licensors, suppliers, publishers, rightsholders, or other content providers. No feature or part of Amazon Business may be reproduced, duplicated, copied, sold, resold, or otherwise exploited for any commercial purpose without express written consent of Amazon. You may not frame or utilize framing techniques to enclose any trademark, logo, or other proprietary information (including images, text, page layout, or form) of Amazon without express written consent. You may not use any meta tags or any other "hidden text" utilizing Amazon's name or trademarks without the express written consent of Amazon. You may not misuse Amazon Business. You may use Amazon Business only as permitted by law. The licenses granted by Amazon terminate if you do not comply with these Terms.

7. INDEMNIFICATION

You agree to indemnify, defend and hold harmless us and our affiliates, and our and their respective officers, directors, employees, representatives and agents against any loss, claim, damage, settlement, cost, expense, tax or other liability (including, without limitation, reasonable attorneys' fees) (each a "**Claim**") arising from or related to (a) any breach of the Terms, (b) any unlawful or improper use by anyone of any product ordered by you, or (c) your negligence or willful misconduct. You will use counsel reasonably satisfactory to us to defend each indemnified Claim. If at any time we reasonably determine that any indemnified Claim might adversely affect us, we may take control of the defense at our expense. You may not consent to the entry of any judgment or enter into any settlement of a Claim without our prior written consent, which may not be unreasonably withheld.

8. PRODUCT INFORMATION; PRODUCT COMPLIANCE AND SUITABILITY

We recommend that you do not rely solely on the information presented on our website. Please always read labels, warnings and directions provided with the product before use. Amazon does not guarantee compliance or suitability of products with any Laws, nor does Amazon accept responsibility for installation and/or use of a product. It is your responsibility to review the product application and all applicable Laws for each relevant jurisdiction to be sure that the installation and/or use involving the products comply with applicable Laws.

9. AMAZON.COM SITE AND FEATURES

9.1 SELLER CREDENTIALS. Any diversity, industry and other certifications made available to you are provided by third-party sellers on Amazon.com and have not been independently verified by Amazon. You should carefully review and validate any certifications and supporting information that you use to make your purchasing decisions. We take no responsibility and assume no liability for any certifications or supporting information provided by third-party sellers.

9.2 BUSINESS PRICING. We may provide you access to discounts for business customers. In these instances, the available price on the detail page will reflect this discount. You agree that any business

pricing or discounts that Amazon provides to you are the confidential and proprietary information of Amazon. You agree not to manually copy or use any data mining, scraping or similar data gathering and extraction tools with respect to such pricing or discounts. If you have negotiated pricing with a supplier and choose to have pricing that is specific to you available on Amazon Business, you acknowledge and agree that we may share sales information regarding products purchased by you at these prices with the applicable supplier (including any business or shipping addresses). You acknowledge that we may share contact information for your organization's administrator or other applicable employees with the supplier in connection with this pricing.

9.3 LIVE EXPERT. Our LiveExpert service connects you directly with manufacturers' agents so you can ask technical and product related questions via chat, email, or phone. Product support agents are employed by the manufacturer and not Amazon. We record your communications with manufacturers' agents to monitor the quality of these communications. Any questions you ask or suggestions you provide may be used by Amazon for any purpose. We recommend that you not share any customer identifying information with manufacturers' agents to protect the privacy of your information. You acknowledge that all information and answers are provided by the applicable manufacturer, and that Amazon is not responsible for, and disclaims any liability related to, any content provided by any manufacturer.

9.4 GIFT CARDS. All purchases and redemptions of Amazon.com Gift Cards ("**Gift Cards**") are subject to the terms and conditions at http://www.amazon.com/gc-legal ("**Gift Card Terms**"). You may only distribute Gift Cards purchased through a Business Account or associated business user accounts as part of your employee or customer incentive, loyalty, rewards, recognition, or gifting program in the United States (each a "**Loyalty Program**"). You may not imply that Amazon is associated with any Loyalty Program or use Gift Cards in any unsolicited communications. You may not use or distribute any intellectual property of Amazon in connection with any Loyalty Program. You may not resell or transfer Gift Cards for value or permit fees to be charged for a Gift Card. You may not permit Gift Cards to be used for internal use. You may not purchase or redeem, or suggest or direct that recipients use or redeem Gift Cards through the Amazon Associates Program. You may not purchase more than $10,000 in Gift Cards per day through your Business Account (including all associated business user accounts). You must ensure that your Loyalty Program complies with these restrictions and the Gift Card Terms. Amazon reserves the right, in its sole discretion, to reject orders or prohibit advertisement, offer, or distribution of Gift Cards in any location, in any manner, and by any individual or entity.

9.5 KINDLE CONTENT PURCHASES FOR OTHERS. We may enable you to purchase digitized content from the Kindle Store for others through your Amazon Business account. All redemptions of digitized content purchased from the Kindle Store, such as books ("Kindle Content"), are subject to the Kindle Store Terms of Use. Each copy of Kindle Content you purchase may only be redeemed by a single Amazon.com user account and cannot be revoked or transferred by you after redemption. You may not resell the Kindle Content redemption links or any other entitlement to the Kindle Content. If we terminate your access to Amazon Business or you otherwise violate these Terms, we may disable any unredeemed Kindle Content that you have purchased.

10. DISCLAIMER

AMAZON MAKES NO WARRANTY OR REPRESENTATION CONCERNING THE ACCURACY OF PRODUCT INFORMATION PROVIDED AND OUR SOLE LIABILITY FOR ANY LOSSES OR DAMAGES BY YOU ARISING FROM ANY INACCURACY IN THE PRODUCT INFORMATION WILL BE LIMITED TO REIMBURSEMENT OF THE PRICE PAID

FOR THAT PRODUCT. AMAZON DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR NONINFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS TO THE FULLEST EXTENT PERMISSIBLE BY APPLICABLE LAW. AMAZON ALSO DISCLAIMS ANY LIABILITY FOR CLAIMS ARISING OUT OF MISUSE, IMPROPER SELECTION, IMPROPER INSTALLATION, MODIFICATION, MISREPAIR OR MISAPPLICATION OF THE PRODUCT.

11. LIMITATIONS OF LIABILITY

UNDER NO CIRCUMSTANCES WILL AMAZON BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO ANY LOST PROFITS THAT RESULT FROM YOUR PURCHASE OF ANY PRODUCTS OR USE OF ANY AMAZON SERVICES ON AMAZON.COM, EVEN IF AMAZON HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. AMAZON'S LIABILITY IN ALL EVENTS IS LIMITED TO THE PURCHASE PRICE PAID FOR THE PRODUCT OR SERVICE THAT GIVES RISE TO ANY LIABILITY.

12. ENTIRE AGREEMENT

The terms and conditions in these Terms, the Amazon.com Conditions of Use, the Amazon.com Privacy Notice, and any applicable terms, conditions, policies, requirements or limitations contained on the Amazon.com website constitute the exclusive and complete agreement between Amazon and you. Amazon will not be bound by, and specifically rejects, any term, condition, obligation, or other provision which is different from or in addition to the provisions of these Terms or which may be in any order, receipt, acceptance, confirmation, correspondence or other document.

Any purchase order (PO) number or other internal information particular to your organization that is provided by a user during the purchasing process is provided only for your internal purchase tracking. Amazon doesn't agree to terms, conditions, obligations, or provisions that are different from or added to these Terms and the policies and information on the Amazon.com website.

13. AGREEMENT CHANGES

We may in our discretion change these Terms, Amazon.com's Conditions of Use and Privacy Notice, or any aspect of Amazon Business, without notice to you. From time to time, Amazon may choose in its sole discretion to add or remove benefits or features of Amazon Business. If any change to these Terms is found invalid, void, or for any reason unenforceable, that change is severable and does not affect the validity and enforceability of any remaining changes or conditions. YOUR CONTINUED USE OF AMAZON BUSINESS AFTER WE CHANGE THESE TERMS CONSTITUTES YOUR ACCEPTANCE OF THE CHANGES. IF YOU DO NOT AGREE TO ANY CHANGES, YOU MUST CANCEL YOUR BUSINESS ACCOUNT AND BUSINESS USER ACCOUNT.

14. TERM; TERMINATION BY US

The term of these Terms will begin on the date you click to accept it and will continue until you or we terminate it. We may terminate these Terms and access to your Business Account, business user account or use of any business features at our discretion with or without notice. You are entitled to terminate these Terms by giving us notice and closing your account. Upon termination, all rights and obligations under these Terms will automatically terminate except for any right of action occurring

prior to termination, payment obligations, and obligations that are intended to survive termination, including, without limitation, Sections 4 –18 of these Terms.

15. FORCE MAJEURE

We will not be liable for any delays in delivery or failure to perform any of our obligations under these Terms by reasons, events or other matters beyond our reasonable control.

16. CONFIDENTIALITY; PUBLICITY

You will (a) protect and not disclose information made available by us that is identified as confidential or that reasonably should be considered confidential; (b) use this information only for internal purposes and in connection with your use of Business Accounts; and (c) destroy or return all such information to us promptly when the Terms terminate (and, upon request, confirm such destruction in writing). This section covers all confidential information regardless of when you receive it. Unless you have received our express written permission, you will not otherwise use any trademark, service mark, commercial symbol or other proprietary right of ours, issue press releases or other publicity relating to us or these Terms, or refer to us in promotional materials. If authorized, you may only use Amazon trademarks in accordance with the Trademark Guidelines.

17. SUGGESTIONS

If you elect to provide or make available suggestions, comments, ideas, improvements, or other feedback or materials to us in connection with or related to Business Accounts (including any related technology), we will be free to use, disclose, reproduce, modify, license, transfer and otherwise distribute, and exploit any of the foregoing information or materials in any manner.

18. MISCELLANEOUS

Your use of Business Accounts is subject to the disputes and applicable law provisions of the Conditions of Use, which are incorporated by reference.

The parties to these terms are independent contractors. These Terms do not create any third party beneficiary rights in any individual or entity that is not a party to these Terms. You may not assign these Terms, by operation of law or otherwise, without our prior written consent. Subject to that restriction, these Terms will be binding on, inure to, and be enforceable against the parties and their respective successors and permitted assigns. We may perform any of our obligations or exercise any of our rights under these Terms through one or more of our affiliates. Our failure to enforce your strict performance of any provisions of these Terms will not constitute a waiver of our right to enforce such provisions or any other provision of these Terms subsequently. If any provision of these Terms is deemed unlawful, void, or for any reason unenforceable, then that provision will be deemed severable from these Terms and will not affect the validity and enforceability of any remaining provisions. In the event of any conflict between these Terms and the Conditions of Use, these Terms will prevail.

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 OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
1	OFFICE & OPERATING SUPPLIES - CITY COUNCIL THIS BLANKET PURCHASE ORDER FOR FY 2020-2021 COMMENCES JULY 1, 2020 AND EXPIRES JUNE 30, 2021. COOPERATIVE PURCHSING THROUGH OMNIA PARTNERS CONTRACT NO. R-TC-17006. 5-YEAR INITITAL TERM, JANUARY 19, 2017 THRU JANUARY 18, 2022. OPTION TO RENEW FOR THREE (3) ADDITIONAL TWO (2) YEAR PERIODS.	730	DL	$1.00	$730.00
2	OFFICE & OPERATING SUPPLIES - CITY MANAGER ON 3/22/2021 INCREASED LINE 2 BY $700 PER APPROVED WARRANT FOR INVOICE YGGL AND P6L4. MSH	1500	DL	$1.00	$1,500.00
3	OFFICE & OPERATING SUPPLIES - CITY CLERK ON 3/31/2021 INCREASED LINE 3 BY $60 PER DANA TO PAY APPROVED WARRANT. MSH	2430	DL	$1.00	$2,430.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Approved City Representative

VENDOR COPY

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
4	OFFICE & OPERATING SUPPLIES - ELECTIONS	220	DL	$1.00	$220.00
5	OFFICE & OPERATING SUPPLIES - HUMAN RESOURCES ON 10/6/2020 INCREASED LINE 5 PER DANA FOR PENDING WARRANT. MSH ON 11/10/2020 INCREASED LINE 5 BY $22 PER APPORVED WARRANT FOR INVOICE FVRC. MSH ON 12/9/2020 INCREASED LINE 5 BY $49 PER APPORVED WARRANT FOR INVOICE 9GHR. MSH 4/21/2021 PER REQUISITION 210740 ADD $1,101.40. /sw	3151	DL	$1.00	$3,151.40
6	OFFICE & OPERATING SUPPLIES - CITY ATTORNEY	1480	DL	$1.00	$1,480.00
7	OFFICE & OPERATING SUPPLIES - FINANCE 1/19/2021 PER STACEY ANDREWS/JANELLE SAMSON $71.97 TO	3972	DL	$1.00	$3,971.97

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # **20210004**

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
	3/10/2021 PER REQUISITION 210631 ADD $2,600.00. /sw				
8	EQUIPMENT UNDER $5K & ALL FURNITURE - FINANCE ON 4/29/2021 ADDED $130.00 PER APPROVED WARRANT FOR INVOICE 1DWM. MSH	2000	DL	$1.00	$2,000.00
9	OFFICE & OPERATING SUPPLIES - PURCHASING	580	DL	$1.00	$580.00
10	CONTRACT SVCS-RECEPTIONS - CHANNEL 27	150	DL	$1.00	$150.00
11	OFFICE & OPERATING SUPPLIES - CHANNEL 27	280	DL	$1.00	$280.00
12	OFFICE & OPERATING SUPPLIES - GENERAL CITY	140	DL	$1.00	$140.00
13	PROGRAM SUPPLIES-HOLIDAY PARTY - GENERAL CITY ON 9/21/2020 INCREASED LINE 13 BY $42.63 FOR APPROVED INVOICE FWG9. MSH	905	DL	$1.00	$904.93

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Purchase Order

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.
Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
	11/18/2020 PER REQUISITION 210462 ENCUMBER $300.00. /sw				
14	PROGRAM SUPPLIES - COMMUNITY PROGRAMS	30	DL	$1.00	$30.00
15	OFFICE & OPERATING SUPPLIES - EMERGENCY MANAGEMENT ON 8/17/2020 INCREASED LINE 15 BY $270 PER APPROVED WARRANT FOR INVOICE 3N35. MSH	300	DL	$1.00	$300.00
16	EQUIPMENT UNDER %5K & ALL FURNITURE - EMERGENCY MANAGEMENT	240	DL	$1.00	$240.00
17	OFFICE & OPERATING SUPPLIES - ADMIN ECONOMIC DEVELOPMENT	5140	DL	$1.00	$5,140.00
18	EQUIPMENT UNDER $5K & ALL FURNITURE - PLANNING	730	DL	$1.00	$730.00
19	PUBLICATION SUPPLIES - BUILDING SERVICES	560	DL	$1.00	$560.00
20	EQUIPMENT UNDER %5K & ALL FURNITURE - BUILDING SERVICES	600	DL	$1.00	$600.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.
Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
	OFFICE & OPERATING SUPPLIES - LIBRARY	180	DL	$1.00	$180.00
22	OFFICE & OPERATING SUPPLIES - NEIGHBORHOOD SERVICES (ADMIN) 1/19/2021 PER STACEY ANDREWS/JANELLE SAMSON $71.97 TO BE RECLASSED FROM ACCOUNT 10115001-735100 TO ACCOUNT 10125001-735100. UNENCUMBER $71.97. /sw	1658	DL	$1.00	$1,658.03
23	EQUIPMENT UNDER $5K & ALL FURNITURE - NEIGHBORHOOD SERVICES (ADMIN) 1/4/2021 TRANSACTION OF $53.59 WAS RECLASSED TO LINE 22 10125001-535100. RESTORE THIS AMOUNT BACK TO LINE 23 10125001-739500. /sw	144	DL	$1.00	$143.59
24	OFFICE & OPERATING SUPPLIES - PUBLIC SAFETY	140	DL	$1.00	$140.00
25	PROGRAM SUPPLIERS - PARTNERS AGAINST CRIME (PUBLIC SAFETY)	60	DL	$1.00	$60.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Purchase Order

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.
Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
	EQUIPMENT UNDER $5K & ALL FURNITURE - PUBLIC SAFETY	110	DL	$1.00	$110.00
27	OFFICE & OPERATING SUPPLIES - COMMUNITY SERVICE OFFICERS (CSO)	110	DL	$1.00	$110.00
28	OFFICE & OPERATING SUPPLIES - NEIGHBORHOOD HOUSES	0	DL	$0.00	$0.00
	3/10/2021 PER HEATHER NICHOLS CANCEL THE ENCUMBRANCE OF $250.00 ON LINE 28. /sw				
29	PROGRAM SUPPLIES - NEIGHBORHOOD HOUSES	660	DL	$1.00	$660.00
30	OFFICE & OPERATING SUPPLIES - COMMUNITY COMPLIANCE	2790	DL	$1.00	$2,790.00
31	OFFICE & OPERATING SUPPLIES - PUBLIC SECURITY	130	DL	$1.00	$130.00
32	OFFICE & OPERATING SUPPLIES - PUBLIC WORKS ADMIN	3500	DL	$1.00	$3,500.00
33	EQUIPMENT UNDER $5K & ALL FURNITURE - PUBLIC WORKS ADMIN	220	DL	$1.00	$220.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Purchase Order

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.
Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
	PUBLIC WORKS PROJECT - CIP MGMT	30	DL	$1.00	$30.00
35	OFFICE & OPERATING SUPPLIES - ENGINEERING	330	DL	$1.00	$330.00
36	OFFICE & OPERATING SUPPLIES - PUBLIC WORKS INSPECTIONS	390	DL	$1.00	$390.00
37	EQUIPMENT UNDER $5K & ALL FURNITURE ON 4/29/2021 ADDED $500 PER APPROVED WARRANT FOR INVOICE G3PF. MSH	1027	DL	$1.00	$1,027.08
38	OFFICE & OPERATING SUPPLIES - PARK MAINTENANCE	110	DL	$1.00	$110.00
39	EQUIPMENT UNDER $5K & ALL FURNITURE	100	DL	$1.00	$100.00
40	OFFICE & OPERATING SUPPLIES - LANDSCAPE MAINTENANCE	200	DL	$1.00	$200.00
41	EQUIPMENT UNDER $5K & ALL FURNITURE - LANDSCAPE MAINTENANCE	90	DL	$1.00	$90.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Purchase Order

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.
Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
	BUILDING MAINTENANCE - FACILITIES	4400	DL	$1.00	$4,400.00
43	OFFICE & OPERATING SUPPLIES - FACILITIES	1490	DL	$1.00	$1,490.00
44	EQUIPMENT UNDER 5K AND ALL FURNITURE - FACILITIES 10/26/2020 PER CHRIS CLEAVES UNENCUMBER $300.00 FROM LINE 44. /sw	1300	DL	$1.00	$1,300.00
45	OFFICE AND OPERATING SUPPLIES - DRAINAGE	40	DL	$1.00	$40.00
46	OFFICE AND OPERATING SUPPLIES - PARK ADMIN ON 3/9/2021 ADDED $50 PER APPROVED WARRANT FOR INVOICE RP3D. MSH ON 3/25/2021 ADDED $100 TO COVER APPROVED INVOICE KTKK. MSH 3/31/2021 PER REQUISITION 210702 ADD $437.92 FOR IPAD COVERS. /sw ON 4/20/2021 ADDEED $46.25 TO LINE 46 PER APPROVED WARRANT FOR INVOICE	3900	DL	$1.00	$3,900.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
	ON 4/26/2021 INCREASED LINE 46 BY $100 PER APPROVED WARRANT FOR INVOICE 1WKX. MSH				
47	EQUIPMENT UNDER $5K AND ALL FURNITURE - PARK ADMIN	770	DL	$1.00	$770.00
48	OFFICE AND OPERATING SUPPLIES - CHIMBOLE	1060	DL	$1.00	$1,060.00
49	OFFICE AND OPERATING SUPPLIES - SENIOR CENTER 3/23/2021 PER REQUISITION 210682 ADD $500.00. /sw	930	DL	$1.00	$930.00
50	PROGRAM SUPPLIES - SENIOR CENTER 2/24/2021 PER REQUISITION 210608 ADD $300.00 TO LINE 50. /sw	610	DL	$1.00	$610.00
51	OFFICE AND OPERATING SUPPLIES - AIR PARK 8/13/2020 PER REQUISITION 210244 ADD $1,310.00. /sw	1500	DL	$1.00	$1,500.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Purchase Order

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.
Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
	OFFICE AND OPERATING SUPPLIES - SPECIAL EVENTS (AMPHITHEATER) 8/13/2020 PER REQUISITION 210245 ADD $200.00. ON 3/25/2021 INCREASED LINE 52 BY $200 PER APPROVED WARRANT FOR INVOICE DTK4. MSH	500	DL	$1.00	$500.00
53	OFFICE AND OPERATING SUPPLIES - SPECIAL EVENTS (MOVIE NIGHTS) 8/13/2020 PER REQUISITION 210245 ADD $40.00. /sw	400	DL	$1.00	$400.00
54	SPECIAL EVENTS PROGRAM SUPPLIES - (KALEIDOSCOPE) 8/13/2020 PER REQUISITION 210245 ADD $180.00. /sw 12/14/2020ADD $381.35 TO PAY TWO (2) INVOICES: 1NFL-1JPW-9FC9 AND 1JJC-TQYD-QKJX. /sw ON 4/26/2021 INCREASED LINE 54 PER APPROVED WARRANT FOR INVOICE	2400	DL	$1.00	$2,400.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # **20210004**

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
	4/27/2021 PER REQUISITION 210752 ADD $400.00 TO LINE 54. /sw				
55	SPECIAL EVENTS - (CONCERTS)	1000	DL	$1.00	$1,000.00
	8/13/2020 PER REQUISITION 210245 ADD $450.00. /sw				
56	SPECIAL EVENTS PROGRAM SUPPLIES - (SPRING FEST)	1500	DL	$1.00	$1,500.00
	8/13/2020 PER REQUISITION 210245 ADD $740.00. /sw				
57	SPECIAL EVENTS PROGRAM SUPPLIES - JULY 4TH	1050	DL	$1.00	$1,050.00
	3/11/2021 PER REQUISITION 210651 ADD $500.00 TO LINE 57. /sw				
58	OFFICE AND OPERATING SUPPLIES - PLAYHOUSE	2590	DL	$1.00	$2,590.00
59	PROGRAM SUPPLIES PLAYHOUSE - ORCHESTRA CAMP	740	DL	$1.00	$740.00
60	PROGRAM SUPPLIES - RECREATION PROGRAMS	6209	DL	$1.00	$6,208.88

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.
Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
	8/13/2020 PER REQUISITION 210246 ADD $2K. /sw 11/4/2020 PER REQUISITION 210441 ADD $3,300.00. /sw				
61	OFFICE AND OPERATING SUPPLIES - AQUATICS 8/13/2020 PER REQUISITION 210246 ADD $1,300.00. /sw	2170	DL	$1.00	$2,170.00
62	OFFICE AND OPERATING SUPPLIES - YOUTH SPORTS	1010	DL	$1.00	$1,010.00
63	OFFICE AND OPERATING SUPPLIES - ADULT SPORTS 8/13/2020 PER REQUISITION 210246 ADD $320.00. /sw	1000	DL	$1.00	$1,000.00
64	OFFICE AND OPERATING SUPPLIES - REC CENTERS 9/29/2020 PER BECK BARTLETT REDUCE LINE 64 TO REFLECT AN ENCUMBRANCE OF $500.00. /sw	500	DL	$1.00	$500.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # **20210004**

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
	PROGRAM SUPPLIES RECREATION CENTERS 9/29/2020 PER BECK BARTLETT REDUCE LINE 64 TO REFLECT AN ENCUMBRANCE OF $500.00. /sw 3/15/2021 PER REQUISITION 210663 ADD $500.00. /sw	1000	DL	$1.00	$1,000.00
66	EQUIPMENT UNDER $5K AND ALL FURNITURE - REC CENTERS	520	DL	$1.00	$520.00
67	OFFICE AND OPERATING SUPPLIES - RENT CONTROL	20	DL	$1.00	$20.00
68	OFFICE AND OPERATING SUPPLIES - INFORMATION TECHNOLOGY (IT) 1/13/2021 PER REQUISITION 210539 ADD $500.00 TO LINE 68. /sw 2/10/2021 PER REQUISITION 210583 ADD $1,000.00. /sw	2310	DL	$1.00	$2,310.00
69	EQUIPMENT UNDER $5K AND ALL FURNITURE - INFORMATION TECHNOLOGY	8700	DL	$1.00	$8,700.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Purchase Order

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.
Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
	3/1/2021 PER REQUISITION 210613 ADD $2,000.00. /sw ON 4/26/2021 ADDED $2,000 TO LINE 69 PER APPROVED REQUISITION 210751. MSH ON 4/26/2021 ADDED REQUISITION 210753 IN THE AMOUNT OF $200.00 TO LINE 69. MSH				
70	EQUIPMENT - CAPITALIZED: INFORMATION TECHNOLOGY	110	DL	$1.00	$110.00
71	OFFICE AND OPERATING SUPPLIES - COMMUNICATIONS	220	DL	$1.00	$220.00
72	EQUIPMENT UNDER $5K PEG ACCESS FEES - COMMUNICATION	1100	DL	$1.00	$1,100.00
73	OFFICE AND OPERATING SUPPLIES - STREET MAINTENANCE 4/6/2021 PER CHAD THOMAS ADD $1,750.00 TO LINE 73. /sw	4080	DL	$1.00	$4,080.00
74	STREET MAINTENANCE MATERIALS	910	DL	$1.00	$910.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # **20210004**

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
	EQUIPMENT UNDER $5K AND ALL FURNITURE	2440	DL	$1.00	$2,440.00
76	OFFICE AND OPERATING SUPPLIES - PUBLIC SECURITY (TRANSIT)	100	DL	$1.00	$100.00
77	OFFICE AND OPERATING SUPPLIES - FACILITIES-TRANSPORTATION (TRANSIT)	400	DL	$1.00	$400.00
78	OFFICE AND OPERATING SUPPLIES - TS MAINTENANCE	2330	DL	$1.00	$2,330.00
79	SUPPLIES, MAINTENNCE & REPAIR-TRAFFIC ENGINEERING (TRAFFIC SIGNAL, MAINTENANCE SIGN)	300	DL	$1.00	$300.00
80	OFFICE AND OPERATING SUPPLIES - TRAFFIC ENGINEERING	550	DL	$1.00	$550.00
81	EQUIPMENT UNDER $5K AND ALL FURNITURE ON 3/22/2021 INCREASED LINE 81 BY $1000 PER APPROVED INVOICE LKV7 & VH9Y. MSH	1350	DL	$1.00	$1,350.00
82	OFFICE AND OPERATING SUPPLIES - GIS	440	DL	$1.00	$440.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Purchase Order

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.
Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
	OFFICE AND OPERATING SUPPLIES - LANDSCAPE MAINTENANCE	1110	DL	$1.00	$1,110.00
84	EQUIPMENT UNDER $5K AND ALL FURNITURE - LANDSCAPE MAINTENANCE	620	DL	$1.00	$620.00
85	SUPPLIES: MAINTENANCE & REPAIRS - STREET LIGHTS	550	DL	$1.00	$550.00
86	OFFICE AND OPERATING SUPPLIES - STREET LIGHTS	190	DL	$1.00	$190.00
87	OFFICE AND OPERATING SUPPLIES - SEWER	3580	DL	$1.00	$3,580.00
88	EQUIPMENT UNDER $5K AND ALL FURNITURE - SEWER MAINTENANCE	2210	DL	$1.00	$2,210.00
89	SUPPLIES: MAINTENANCE & REPAIR - STREET LIGHTS	550	DL	$1.00	$550.00
90	EQUIPMENT UNDER $5K AND ALL FURNITURE - COMMUNITY PROGRAMS	55	DL	$1.00	$54.72
	INCREASED GL LINE 90 PER APPROVED WARRANT FOR INVOICE 9VMR IN THE AMOUNT OF $54.72. MSH				

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Purchase Order

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
	OFFICE AND OPERATING SUPPLIES - S.A.V.E.S ON 3/31/2021 INCREASED LINE 91 PER APPROVED WARRANT FOR INVOICE 6KY3. MSH	1300	DL	$1.00	$1,300.00
92	PROGRAM SUPPLIES - CDBG S.A.V.E.S	110	DL	$1.00	$110.00
93	OFFICE AND OPERATING SUPPLIES - MAND COSTS	1000	DL	$1.00	$1,000.00
94	EQUIPMENT UNDER $5K AND ALL FURNITURE - MAND COSTS	550	DL	$1.00	$550.00
95	OFFICE AND OPERATING SUPPLIES - WATER PARK 8/13/2020 PER REQUISITION 210247 ADD $100.00. /sw	3000	DL	$1.00	$3,000.00
96	SUPPLIES: MAINTENANCE POOL CHEMICALS	2640	DL	$1.00	$2,640.00
97	PROGRAM SUPPLIES: MERCHANDISE & SALES - WATER PARK	2000	DL	$1.00	$2,000.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
98	EQUIPMENT UNDER $5K AND ALL FURNITURE - WATER PARK 8/13/2020 PER REQUISITION 210247 ADD $810.00. /sw 2/8/2021 PER TIMOTHY MILLER CANCE CURRENT ENCUMBRANCE OF $2,000.00 ON LINE 98. /sw	0	DL	$0.00	$0.00
99	OFFICE AND OPERATING SUPPLIES - PALMDALE CCA	1740	DL	$1.00	$1,740.00
100	EQUIPMENT UNDER $5K AND ALL FURNITURE - PALMDALE CCA	800	DL	$1.00	$800.00
101	CAPITAL PROJECT PROFESSIONAL SERVICES - ANAVERDE CREEK UPPER	120	DL	$1.00	$120.00
102	PARK ADMIN - TELEPHONE 7/23/2020 ADD $12.93 TO PAY INVOICE 1VJX-JM11-9KXW. /sw	13	DL	$1.00	$12.93
103	PROGRAM SUPPLIES - SPECIAL EVENTS	200	DL	$1.00	$200.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.
Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
104	CBDG OFFICE SUPPLIES	260	DL	$1.00	$259.80
	ON 8/20/2020 ADDED LINE 104 PER APPROVED WARRANT FOR INVOICE CYWN IN THE AMOUNT OF $13.60. MSH				
	ON 10/7/2020 INCREASED LINE 104 TO $232.44 PER APPROVED WARRANTS FOR INVOICE GLMH AND 7333. MSH				
	ON 11/19/2020 INCREASED LINE 104 BY $27.36 PER APPROVED WARRANT. MSH				
105	PLANNING OFFICE SUPPLIES	100	DL	$1.00	$100.00
	ON 8/27/2020 ADDED LINE 105 PER APPROVED WARRANT FOR INVOICE 36CK. MSH				
106	BUSINESS RENTATION DIVISION	25	DL	$1.00	$25.07
	ON 10/7/2020 ADDED LINE 106 PER APPROVED WARRANT FOR INVOICE 7333.				

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
107	TS MAINTENANCE EQUIPMENT UNDER $5K ON 10/19/2020 ADDED LINE 107 IN THE AMOUNT OF $63.10 PER APPROVED INVOICE 97M7. MSH	63	DL	$1.00	$63.10
108	OFFICE FURNITURE: PARKS & RECREATION NEW OFFICE SPACE 12/8/2020 PER REQUISITION 210507 ADD $13,140.00. /sw 4/22/2021 ADD $52.72 TO PAY INVOICE NO. 1FFK-W111-4HRX. /sw	13193	DL	$1.00	$13,192.72
109	EQUIPMENT UNDER $5K & ALL FURNITURE - LIBRARY 3/23/2021 PER REQUISITION 210683 ADD $2,500.00 TO PURCHASE A LAMINATOR. /sw	2500	DL	$1.00	$2,500.00
110	VOIP TELEPHONE AND CABLING - INFORMATION TECHNOLOGY 3/31/2021 PER REQUISITION 210701 ADD $3,645.40. /sw	3645	DL	$1.00	$3,645.40

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Revisions 108
Expiration Date 06/30/2021

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # 20210004

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
AMAZON CAPITAL SERVICES, INC.
410 TERRY AVENUE NORTH
SEATTLE, WA 98109

Ship To
MATTHEW HARRIS / SHARON WILLIAMS
FINANCE DEPT/PURCHASING DIV
38300 SIERRA HWY
STE D
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
07/09/2020	1720	07/13/2020	DESTINATION/NET 45	FINANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
	OFFICE SUPPLIES - BUSINESS RETENTION & DEVELOPMENT PROGRAM SUPPLIES 4/22/2021 PER REQUISITION 210748 ADD $569.00. /sw ORIGINAL ENCUMBRANCE = $99,840 (CITY MANAGER APPROVAL). WHEN EXPENDITURE (LIQUIDATION) APPROACHES WITHIN 10 % ($90K) OF $100,000,00 CONSIDER GETTING COUNCIL APPROVAL FOR AN ESTIMATED AGGRAGATE TOTAL NEEDED UP TO THE ESTIMATE CLOSE OF FY 2021. /sw	569	DL	$1.00	$569.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**143,758.62**

Approved City Representative

VENDOR COPY

1. **ACCEPTANCE** ACCEPTANCE OF THIS PURCHASE ORDER BY THE VENDOR IS EXPRESSLY LIMITED TO THE TERMS AND CONDITIONS CONTAINED HEREIN. ANY TERM OR CONDITION STATED BY THE VENDOR IN ANY PRIOR PROPOSAL , ON VENDOR S ACKNOWLEDGEMENT FORM, OR IN OTHERWISE ACKNOWLEDGING OR ACCEPTING THIS ORDER IS DEEMED BY BUYER TO BE A MATERIAL ALTERATION OF THIS ORDER AND IS HEREBY OBJECTED TO BY THE BUYER. ANY SUCH TERM OR CONDITION SHALL BE INAPPLICABLE TO THIS ORDER UNLESS EXPRESSLY AGREED TO IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF BUYER. ACCEPTANCE OF THE MERCHANDISE COVERED BY THIS ORDER WILL NOT CONSTITUTE ACCEPTANCE BY BUYER OF VENDOR S TERMS AND CONDITIONS. ANY OF THE FOLLOWING ACTS BY VENDOR SHALL CONSTITUTE ACCEPTANCE OF THIS OFFER AND ALL OF ITS TERMS AND CONDITIONS; SIGNING AND RETURNING A COPY OF THIS ORDER; DELIVERY OF ANY OF THE MERCHANDISE ORDERED; INFORMING THE BUYER OF COMMENCEMENT OF PERFORMANCE; OR RETURNING VENDOR S OWN FORM OF ACKNOWLEDGEMENT.

2. **PRICE AND DELIVERY** Vendor shall furnish the merchandise covered by this order (which may consist of or include services of a non-technical and non-professional nature or construction work) in accordance with the prices and delivery schedule stated on the face of this order. If prices or delivery dates are not stated, Vendor shall offer its lowest prices or best delivery dates, bo of which shall be subject to written acceptance by Buyer. All prices include all applicable taxes, except sales taxes which are separately shown where applicable. Vendor warrants that the prices charged for the merchandise ordered will be as low as the lowest price charged by the Vendor to any customers purchasing similar merchandise in the same or smaller quantities and under like circumstances.

3. **PAYMENT** Buyer shall pay to Vendor the full sales price within forty five (45) days of invoice date, or sooner if otherwise specified on the face of this order.

4. **PACKING AND SHIPPING** Vendor warrants that prices include all charges for packing, crating, and transportation to F.O.B. point. All merchandise shall be packaged, marked, and otherwise prepared in accordance with good commercial practices to obtain the lowest shipping rates and to assure adequate protection of the merchandise in shipment and storage and its arrival at F.O.B. point in undamaged condition. An itemized packing list shall accompany each shipment.

5. **F.O.B, TITLE AND RISK OF LOSS** Unless otherwise specified on the face of this order, the F.O.B. point shall be Buyer s location designated on the face of this order . If transportation is F.O.B. Vendor s location, Vendor shall bear all risk of loss or damage to the merchandise, and title shall not shift to Buyer, until delivery of the merchandise to Buyer s designated location.

6. **INVOICING** After shipping or otherwise providing merchandise under this order, Vendor shall send a separate invoice, in duplicate, including item numbers and accompanied by a bill of lading or express receipt. The time for payment of Vendor s invoices shall commence upon the date of actual receipt of merchandise and acceptable invoices consistent with the requirements of this order.

7. **ADVANCE SHIPMENTS AND COMMITMENTS** Buyer may, at its option, either merchandise received in advance of the delivery schedule set forth herein, or return it to Vendor at Vendor s risk and expense. If retained, time for payment and discount, if any, shall be based upon scheduled delivery dates. Vendor shall place all orders for, and schedule deliveries of materials necessary for its performance under this order at such times as will enable Vendor to meet, but not unreasonably anticipate, the stated delivery schedule. In the event of termination of or changes to this order, Buyer shall not be liable for any charges or costs arising form commitments by Vendor for the acquisition of materials, or work performed, in advance of the time necessa to meet the specified delivery schedule, unless Buyer has given its prior written consent to such advance commitments or work.

8. **CHANGES** Buyer may, by written change order, suspend performance in whole or in part, make changes in quantities, in drawings, designs or specifications, in the method of shipment or packing in the time or place of delivery, or require additional or diminished work. If any such changed causes an increase or decrease in the cost of or the time required for, performance of this order, an equitable adjustment shall be made in the contract price or delivery dates, or both and this order shall be modified in writing accordingly. Any claim for adjustment under this Section 8 may, at Buyer s option, be deemed to be absolutely and unconditionally waived unless asserted in writing (including the amount of the claim) and delivered to Buyer within thirty (30) days from the date of receipt by Vendor of the change order. No change order will be binding on Buyer unless issued and signed by an authorized representative of Buyer s purchasing department. Nothing in this Section 8 shall excuse Vendor from proceeding with the order as changed.

9. **INSPECTION** Final inspection and acceptance of the merchandise shall be at the F.O.B. point unless otherwise specified in this order. Such inspection shall be in accordance with the customary established inspection procedures of Buyer at the location where the merchandise is received. Buyer reserves the right to use sampling procedures for the acceptance or rejection o any or all items ordered. If a lot is rejected by the sampling procedure, the entire lot may be returned to Vendor for screening at the Vendor s expense or, at the option of Buyer, the rejected lot may be screened by Buyer at Vendor s expense, and the costs thereof shall be deducted from Vendor s invoice. Buyer may reject any merchandise which contains defective materials or workmanship or does not conform to specifications or samples. In such event, Buyer may, at its option, and upon written notice to Vendor: (i) rescind this order as to such merchandise; (ii) accept such merchandise at an equitable reduction in price; or (iii) reject such merchandise and require the delivery of replacements. Deliveries of replacement merchandise shall be accompanied by a written notice specifying that such merchandise is a replacement. If Vendor fails to deliver required replacements promptly, Buyer may: (I) replace or correct such merchandise and charge the Vendor the cost thereby incurred by Buyer; or (ii) terminate this order for cause as provided in Section 16 hereof. The rights of Buyer under this Section 9 are in addition to any other rights or remedies herein or by law.

10. **WARRANTIES** In addition to all other warranties, expressed or implied, Vendor warrants that the merchandise will be: (I) free from defect in workmanship and materials; (ii) free from defects in design except to the extent that such merchandise complies with the specifications provided by Buyer, (iii) suitable for purposes, if any, which are stated on the face of this order or in any attachments hereto; and (iv) in conformity with all other requirements of this order. These warranties, and all other warranties, express or implied, shall survive delivery, inspection, acceptance and payment.

    In addition to all other rights Buyer may have, if merchandise is determined not to e as warranted within a period of one (1) year acceptance by Buyer, Buyer may return such merchandise to Vendor, at Vendor s expense, for correction, replacement or credit, as Buyer may direct. Any merchandise corrected or furnished in replacement shall, from the date of delivery of such corrected or replacement merchandise, be subject to the provision of this Section 10 for the same period and to the same extent as merchandise initially furnished pursuant to this order.

11. **PROPRIETARY INFORMATION** All written information obtained by Vendor from Buyer concerning this order, and which is identified as proprietary by Buyer, shall be received in confidence and shall remain the property of the Buyer, and shall be used and disclosed by Vendor only to the extent necessary for performance of this order.

12. **COMPLIANCE WITH LAWS** Vendor shall comply with all federal, state and local laws, ordinances, rules and regulations in the manufacture and sale of the merchandise (including the performance of any services or construction work). Vendor will defend and hold Buyer harmless from any loss, damage or costs attributable to or arising out of any actual or alleged violation of any such law, ordinance, rule or regulation.

13 **USE OF VENDOR S LITERATURE** Buyer shall have the right, at no additional charge, to use and reproduce the Vendor s applicable literature, such as operating and maintenance manuals, technical publications, prints, drawings, training manuals, and other similar supporting documentation and sales literature. Vendor shall advise Buyer in writing of any updated information relating to the foregoing literature and documentation.

14. **LIABILITY FOR INJURY** Vendor shall indemnify Buyer against any loss and liability for all personal injury and property damage caused by the merchandise sold or the services of constructio work.

15. **ASSIGNMENT PROHIBITED** Vendor shall not assign this order, or any rights or obligations hereunder, without the prior written consent of Buyer, and no attempted or purported assignment b Vendor shall be binding on Buyer without such written consent.

16. **DEFAULT AND TERMINATION** Buyer may, by written notice of default to the Vendor, terminate this order, or any part thereof, under the following circumstances:
    A. If Vendor fails to deliver the merchandise (or to commence performance of any services or construction work included therein) in accordance with the delivery schedule specified herein, or any extension thereof; or if vendor fails to perform any other provision of this order, or so fails to make progress as to endanger performance of this order in accordance with its terms, and any such failure or default is not cured within ten (10) days after written notice from the Buyer, or
    B. In the event of the appointment of a trustee, receiver or liquidator for all or a portion of Vendor s property, or the institution of bankruptcy, reorganization, arrangement or liquidation proceedings by or against the Vendor, or any assignments by Vendor for the benefit of creditors.

    Upon any termination to this Section 16, Buyer may purchase similar merchandise elsewhere, or secure the delivery of the merchandise by contract, or otherwise and Vendor shall be liable to Buyer for any excess cost to Buyer, provided, however, that Vendor shall not be liable for such excess costs when the delay of Vendor in performing or in making deliveries is due to causes beyond the control and without fault or negligence on the part of the Vendor. No cause shall constitute a basis for excusable delay unless Vendor has notified Buyer in writing of the existence o such cause within ten (10) days from the commencement thereof. The rights and remedies of Buyer under this Section 16 shall not be exclusive and are in addition to all other rights and remedies provided by law or by the terms and condition of this order.

17. **WAIVER** Buyer s failure to insist upon the performance of any provision of this order, or to exercise any right or privilege granted to Buyer under this order, shall not be construed as a waive of any provision of this order, and the same shall continue in full force and effect. If any provision of this order is determined by a court of competent jurisdiction to be void or otherwise unenforceable, the other provisions of this order shall not be affected thereby.

18. **DISPUTE RESOLUTION** Disputes regarding the interpretation or application of any provisions of this order shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties. If any action at law or in equity is brought to enforce or interpret any provisions of this order, the prevailing party in such action shall be entitled to reasonable attorney s fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

19. **GOVERNING LAW** The validity, performance and construction of the order, including all terms and conditions thereof, shall be construed in accordance with and governed by the laws of the State of California.

20. **ENTIRE AGREEMENT** This order, its terms and conditions, and any supplemental attachments, addenda or riders annexed hereto by Buyer, contain the entire agreement between the partie as to the subject matter hereof, and replace and supersede any prior or contemporaneous communications, representations or agreements, whether written oral, with respect to such subject matter, unless specifically provided otherwise herein.

21. **NOTICES** All notices, demands, requests or approvals to be given in connection with this order shall be in writing and delivered in person or by mail, postage prepaid, and addressed to the other party at the address set forth on the face of this order, or to such other address as may be subsequently be designated in writing by either party.

22. **SPECIAL PROVISIONS**
    A. Notwithstanding the reference herein to merchandise , if this order relates to or includes services of a non-technical and non-professional nature having an estimated cost of $20,000 less, the Special Provisions set forth in Attachment No. 1 shall be deemed to be incorporated herein by this reference, and such Special Provisions shall supersede any provisions of this order set forth which are in conflict therein.
    B. Notwithstanding there references herein to merchandise , if this order relates to or includes construction work having an estimated $5,000 or less, the Special provisions set forth in Attachment No. 2 shall be deemed to be incorporated herein by this reference, and such Special Provisions shall supersede any provisions of this order set forth which are in conflict therewith.

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER'S OFFICE**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **RECEIVE AND FILE THE MONTHLY INVESTMENT ACTIVITY REPORT FOR APRIL 2021.**

ISSUE

Receive and file the monthly investment activity report for April 2021.

RECOMMENDATION

Staff recommends that the City Council accept the monthly and quarterly investment activity reports for City of Palmdale and Successor Agency for April 2021.

BACKGROUND

Pursuant to Section 16 of the City of Palmdale and Successor Agency Investment Policy, the City Treasurer shall prepare and present monthly and quarterly reports on investments to the City Manager/Executive Director and the City Council/Directors. The reports shall detail the type of investment, name of the issuer, purchase date, date of maturity, amount of deposit, and rate of interest. This information shall be provided for all City and Successor Agency pooled investments, as well as for Certificates of Participation, Revenue Bonds, Tax Allocation Bonds, Assessment Districts and Community Facilities District accounts which are managed by outside Fiscal Agents.

The monthly report provides a synopsis of the investment activity for the City of Palmdale and Successor Agency. The reports provide information on assets, allocations, average maturities, yields, and book valuations.

The market values presented for pooled City and Successor Agency investments are based on closing prices for the related investment as of the date of this report. This information was obtained from the Wall Street Journal, Bloomberg Financial Markets, Capital Market Finances, or other reliable source of market prices.

DISCUSSION

Compliance with Investment Policy

For April, the invested portfolio amount for the City of Palmdale totaled $184,070,532 an increase of $43,276 from the previous month and $3,737,342 increase in comparison to last year. The increase in overall portfolio balance from the previous month is a result of interest received during the current period.

The par value of Successor Agency's portfolio as of April, was $11,355,640. The balance increased by $17,955 from last month due to interest received.

All investments meet criteria appropriate to Section 8 of the Investment Policy. The portfolios are based on a combination of various investments, including CDs, Corporate Notes, U.S. Treasury Securities and Government Agency Paper, each adhering to portfolio percentage limitations.

The Finance Division is the custodian for the City and Successor Agency's investment portfolio and follows the three main principles of both entity's investment policy to 1.) Investment in financial instruments that mitigate the risk of monetary losses stemming from market fluctuations, 2.) Establish and maintain a portfolio that has sufficient liquidity to allow the City and Successor Agency to meet all anticipated cash requirements, and 3.) Seek out investment instruments that provide a competitive market rate of return.

Liquidity

One core approach the Finance Division focuses on, is providing liquidity to measure up to the City and Successor Agency's operational requirements. Thus, the Finance Department is currently investing in two pooled funds, LAIF and CAMP. These are intended for the daily operational activities, used for economic uncertainties and maintenance needs. The pooled funds provide a higher liquidity ratio to ensure the City and Successor Agency meet cash flow requirements.

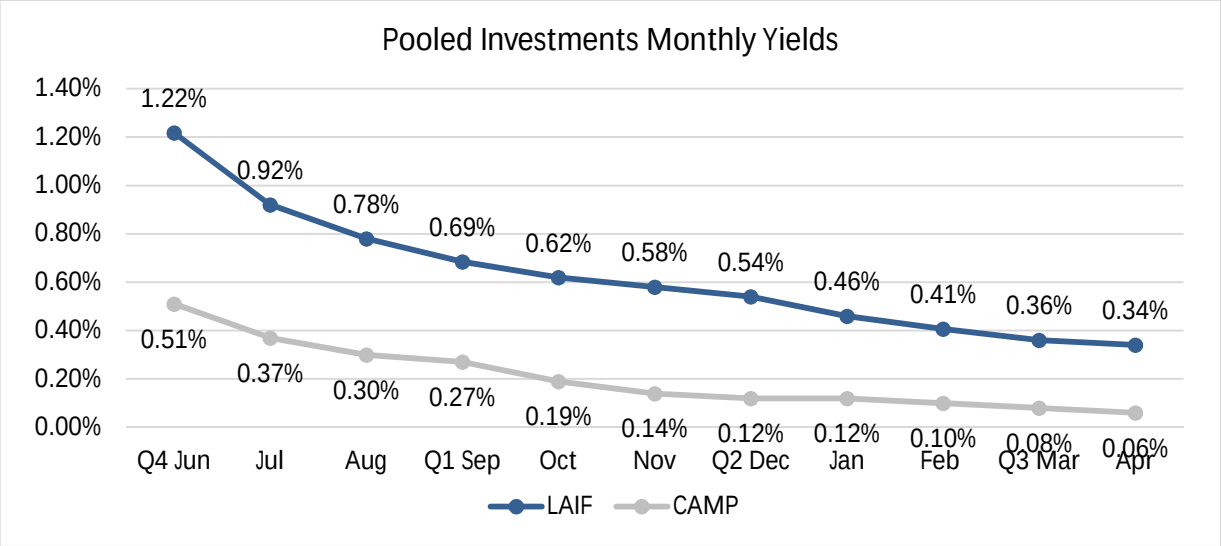
Total LAIF balance for the City of Palmdale is $123,980,705 compared to March's balance of $123,851,097. The increase in balance is due to interest received during the current period.

Successor Agency LAIF balance at the end of April was $5,187,677, a 29.5 percent decrease from June, but flat to the prior month. The decrease in balance for the year is due to withdraws to cover monthly expenses and debt service payments.

CAMP's balance for City of Palmdale is $248,651, compared to March's balance of $248,639.

The interest rates presented are the most current rates available as of the date of this report. As of April 31, 2021, the interest rates for LAIF and CAMP investments were at

0.34 percent and 0.06 percent, respectively. By comparison, the LAIF and CAMP interest rates at the end of March were at .36 percent and .08 percent. Both rates have been steadily declining. This time last year, LAIF and CAMP rates were at 1.79 percent and 1.50, respectively.



The chart above shows both the Local Agency Investment Fund and California Management Program's average monthly yields from the beginning of FY 2021, the graph depicts the prolonged period of declining rates.

We anticipate a further decrease in the upcoming months, considering the economic impacts of COVID. Overall, LAIF shows better performance than CAMP in interest rates. The difference between the performance of the two funds is partly due to the varying pool characteristics. CAMP's portfolio composition is much more subject to market volatility, resulting in performance variation.

Diversity

The Finance Division aims to diversify the investment portfolios to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions.

City of Palmdale and Successor Agency's investment portfolios remain strongly diversified. The monthly and quarterly reports include all investments held by both entities and current book values as of April 30, 2021.
In April, there was one Government Agency Paper acquired and one U.S. Treasury Note was matured at a loss of $86,330. No other securities were called or matured.

It is anticipated that both the City of Palmdale and Successor Agency will have sufficient moneys to meet its expenditure requirements for the next six months as we continue to monitor any financial impact due to the Coronavirus pandemic.

Attached are summaries of the investments on the City of Palmdale and Successor Agency's books as of April 30, 2021.

FISCAL IMPACT

There is no fiscal impact associated with the recommended actions 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, Assistant Finance Manager
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Monthly Report on City of Palmdale Investments
2. Monthly Report on Successor Agency Investments

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2021

CITY OF PALMDALE INVESTMENTS

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	FDIC Number	INTEREST RATE	PAR AMOUNT	PURCHASE AMOUNT	INVESTED AMOUNT
U.S. TREASURY SECURITIES					Yield			
05-31-17	05-31-21	CITY	912828R77 U.S. Treasury Note		1.38	5,000,000.00	4,946,986.95	5,054,690.00
05-31-19	04-30-24	CITY	9128286R6 U.S. Treasury Note		2.03	5,000,000.00	5,051,650.00	5,388,280.00
01-15-21	05-31-23	CITY	9128284S6 U.S. Treasury Note		2.75	2,815,000.00	2,985,994.41	2,999,053.18
03-19-21	12-31-25	CITY	9128285T3 U.S. Treasury Note		2.63	3,000,000.00	3,260,634.36	3,278,255.22
			TOTAL U.S. TREASURY SECURITIES			$ 15,815,000.00	$ 16,245,265.72	$ 16,720,278.40
GOVERNMENT AGENCY PAPER								
06-05-19	06-05-23	CITY	3133EKPT7 Fed Farm Credit Bk		2.13	5,000,000.00	5,008,600.00	5,264,435.95
06-10-20	12-15-22	CITY	313GVN87 Freddie Mac		0.40	5,000,000.00	5,000,000.00	5,000,280.10
06-10-20	06-16-25	CITY	3133ELK37 Federal Farm Credit		0.78	5,000,000.00	5,000,000.00	5,001,470.75
08-07-20	05-06-24	CITY	3133EL2X1 Federal Farm Credit		0.42	2,000,000.00	2,000,000.00	2,000,000.00
08-27-20	11-27-24	CITY	3134GWNG7 Freddie Mac Domestic		0.50	$ 2,000,000.00	2,000,000.00	2,000,000.00
04-01-21	04-01-25	CITY	3133EMUP5 Fed Farm Credit		0.71	5,000,000.00	5,000,000.00	5,000,000.00
	c = callable							
			TOTAL GOVERNMENT AGENCY PAPER			$ 24,000,000.00	$ 24,008,600.00	$ 24,266,186.80
CERTIFICATES OF DEPOSIT								
05-16-18	05-17-21	CITY	38148PK97 Goldman Sachs Bank Usa	33124	2.90	245,000.00	245,000.00	250,985.84
06-01-17	06-01-21	CITY	14042RFY2 Capital One NA	4297	2.25	245,000.00	245,000.00	249,761.82
05-11-18	05-11-22	CITY	05580AMR2 Bmw Bank North America	35141	2.95	245,000.00	245,000.00	257,552.09
05-15-18	05-16-22	CITY	86063QAN5 Stifel Bank & Trust	57311	2.85	245,000.00	245,000.00	257,132.40
05-18-18	05-18-22	CITY	29278TBF6 Enerbank Usa	57293	2.95	245,000.00	245,000.00	257,627.30
05-31-17	05-31-22	CITY	02587CFM7 American Express Bk	35328	2.40	245,000.00	245,000.00	254,640.02
06-01-17	05-31-22	CITY	51210SMT1 Lakeside Bank	19573	2.00	245,000.00	245,026.85	253,401.79
05-10-18	05-10-23	CITY	61747MX30 Morgan Stanley Bank Na	32992	3.15	245,000.00	245,000.00	264,858.48
05-11-18	05-11-23	CITY	87164WWF1 Synchrony Bank	27314	3.15	245,000.00	245,000.00	264,875.38
05-11-18	05-11-23	CITY	17312QL23 Citibank Na	7213	3.15	245,000.00	245,000.00	264,875.38
05-15-18	05-15-23	CITY	20033AYE0 Comenity Capital Bank	57570	3.10	245,000.00	245,000.00	264,548.55
			TOTAL CERTIFICATES OF DEPOSIT			$ 2,695,000.00	$ 2,695,026.85	$ 2,840,259.05

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2021

CORPORATE NOTES

03-10-20	03-01-23	CITY	30231GAR3 Exxon Mobil	2.73	1,000,000.00	1,045,330.00	1,052,024.89
03-10-20	05-13-22	CITY	037833BF6 Apple Inc	2.70	1,000,000.00	1,039,820.00	1,044,894.60
03-10-20	11-03-22	CITY	594918BH6 Microsoft Corp	2.65	1,000,000.00	1,047,870.00	1,051,523.94
03-10-20	01-13-23	CITY	037833DE7 Apple Inc	2.40	1,000,000.00	1,041,800.00	1,051,978.36
03-10-20	12-14-22	CITY	92826CAC6 VISA Inc	2.80	1,500,000.00	1,572,135.00	1,584,140.90
06-10-20	04-15-23	CITY	30231GBL5 Exxon Mobil Corp	1.75	5,000,000.00	5,000,000.00	5,131,579.15
06-10-20	05-11-23	CITY	166764BV1 Chevron Corp	1.14	2,075,000.00	2,075,000.00	2,110,739.09
08-14-20	08-14-23	CITY	94988J5R4 Wells Fargo Bank	3.55	3,000,000.00	3,000,000.00	3,000,000.00
			TOTAL CORPORATE BONDS		$ 15,575,000.00	$ 15,821,955.00	$ 16,026,880.93

STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND

09-01-84	n/a	CITY ACCOUNT	98-19-620	0.78	63,963,763.97	63,963,763.97	63,963,763.97
06/23/08	n/a	PCA ACCOUNT	40-19-060	0.78	60,004,511.74	60,004,511.74	60,004,511.74
			TOTAL LAIF ACCOUNTS		$ 123,968,275.71	$ 123,968,275.71	$ 123,968,275.71

CAMP- CALIFORNIA ASSET MANAGEMENT PROGRAM

6080-01	n/a	CITY ACCOUNT	6080-01	0.30	248,650.67	248,650.67	248,650.67
			TOTAL CAMP ACCOUNTS		$ 248,650.67	$ 248,650.67	$ 248,650.67
			TOTAL CITY INVESTMENTS		$ 182,301,926.38	$ 182,987,773.95	$ 184,070,531.56

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2021

LIBRARY INVESTMENTS

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT NUMBER	INTEREST RATE	INVESTED AMOUNT
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND					
11-20-84	n/a	LIBRARY	16-19-012	0.78	12,429.11
		TOTAL LIBRARY INVESTMENTS			$ 12,429.11

FISCAL AGENT CASH

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT NUMBER	INTEREST RATE	INVESTED AMOUNT
BOND PROCEEDS					
SIERRA GATEWAY COMMUNITY FACILITIES DISTRICT 91-1					
Fiscal Agent: U.S. Bank National Association (fka First Trust)					
05-10-95	n/a	BOND	95421220	0.01	106.62
05-10-95	n/a	IMPROVEMENT	95421222	0.01	154,927.80
City Held Cash	(Fund 736-114000)	($255,885.63)			
		TOTAL SIERRA GATEWAY COMMUNITY FACILITIES DISTRICT 91-1			$ 155,034.42
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	0.00
04-06-95	n/a	IMPV-ACQUI	95420884	0.01	2,585,190.34
04-06-95	n/a	BOND	95420887	0.00	0.15
City Held Cash	(Fund 738-114000)	($1,000,675.82)			
		TOTAL RITTER RANCH COMMUNITY FACILITIES DISTRICT 93-1			$ 2,585,190.49
BOND PROCEEDS					
ANAVERDE COMMUNITY FACILITIES DISTRICT 2003-1					
Fiscal Agent: U.S. Bank National Association (fka First Trust)					
08-01-19	n/a	RESERVE	242969003	0.00	1,447,005.94
08-01-19	n/a	SP TAX - REFUNDING BC	242969004	0.01	361,365.89
08-01-19	n/a	SP TAX - REFUNDING BC	242969005	0.01	300.42
City Held Cash	(Fund 734-114000)	$900,917.97			
		TOTAL ANAVERDE COMMUNITY FACILITIES DISTRICT 2003-1			$ 1,808,672.25

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2021

BOND PROCEEDS

2005 $7.2M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER)

Fiscal Agent: U.S. Bank National Association (fka First Trust)

08-02-05	n/a	SPEC TRB SER A/B	790330000	0.01	28.00
08-02-05	n/a	RESERVE FUND	790330002	0.01	555,439.45

City Held Cash (Fund 735-114000) $744,688.56

TOTAL 2005 $7.2M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER) $ 555,467.45

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	0.67
11-08-06	n/a	ADM EXP	106844002	0.01	1,594.21
11-08-06	n/a	RESERVE FUND	106844003	0.01	107,257.23

City Held Cash (Fund 739-114000) $127,799.09

TOTAL 2006-1 Godde Hill Estate Sewer Improvements LOIB $ 108,852.11

BOND PROCEEDS

2007 $19.9M COP Power Plant Land Acquisition

Fiscal Agent: U.S. Bank National Association (fka First Trust)

04-12-07	n/a	LEASE PAYMENT	112055000	0.01	5.78
04-12-07	n/a	RESERVE FUND	112055001	0.00	1,500,571.25

TOTAL 2007 $19.9M COP Power Plant Land Acquisition $ 1,500,577.03

BOND PROCEEDS

2007 $6.5M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER)

Fiscal Agent: U.S. Bank National Association (fka First Trust)

08-23-07	n/a	BOND FUND	117856000	0.01	26.78
08-23-07	n/a	RESERVE FUND	117856002	0.01	497,615.44

TOTAL 2007 $6.5M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER) $ 497,642.22

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2021

FISCAL AGENT CASH

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT NUMBER	INTEREST RATE	INVESTED AMOUNT
BOND PROCEEDS					
2012 PFA $8.7M LEASE REVENUE BONDS					
Fiscal Agent: U.S. Bank National Association (fka First Trust)					
12-19-12	n/a	REVENUE FD	201546000	0.00	0.31
12-19-12	n/a	INTEREST ACCOUNT	201546001	n/a	0.00
12-19-12	n/a	PRINCIPAL ACCOUNT	201546002	n/a	0.00
		TOTAL 2012 PFA $8.7M LEASE REVENUE BONDS			$ 0.31
2013 HA PALMDALE TRANSIT VILLAGE HOMES LLC ESCROW					
Fiscal Agent: U.S. Bank National Association (fka First Trust)					
10-11-13	n/a	ESCROW FUND	206455000	0.00	2,979,500.00
		TOTAL 2013 HA TRANSIT VILLAGE HOMES ESCROW			$ 2,979,500.00
2015 HA DEBT SERVICE RESERVE					
Fiscal Agent: Bank of America					
11-19-15	n/a	DEBT SVC RESERVE	1257964992	0.08	39,070.56
		TOTAL 2015 HA DEBT SERVICE RESERVE			$ 39,070.56
PARS RESTRICTED CASH FOR PENSION STABILIZATION TRUST FUND					
05-23-18	n/a	CITY	104790895775 Public Agency Retirement Services	2.60	2,824,541.28
		TOTAL PARS PENSION TRUST FUND			$ 2,824,541.28
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	166,457.40
09-03-15	n/a	INTEREST ACCT	277067001	0.01	160.01
09-03-15	n/a	BOND RESERVE	277067003	0.00	281,020.80
09-03-15	n/a	REPAIR & REPLACE FUN	277067004	0.00	1,027,389.34
		TOTAL 2015 HA $4.3M MULTIFAMILY HOUSING REVENUE BONDS			$ 1,475,027.55

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2021

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	288,643.76
04-05-17	n/a	PRINCIPAL ACCT	271128002	n/a	0.00

TOTAL 2017 PFA $17.4M LEASE REVENUE BONDS $ 288,643.76

Total City Held Cash (XXX-114000) $516,844.17

GRAND TOTAL - FISCAL AGENT CASH $ 14,818,219.43

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2021

SUMMARY OF CASH AND INVESTMENTS

Cash on Hand			$	29,570,464
				($5,387,204)
Pooled Cash Investments				($10,162,908)
				$5,296,749
City:	$	185,294,649		$948
Insur Fund:		($1,224,117)	$	184,070,532
Library Investments				$12,429
Subtotal			$	203,401,009
City/AD/CFD/PCA/PFA/HA Fiscal Agent Cash			$	14,818,219 *
Grand total			$	218,219,228

The interest rate quoted on LAIF, AIM, and Fiscal Agent/Trustee accounts is the most current rate available.
LAIF & AIM interest rates are as of April 30, 2021.

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS

POOLED CASH - LOCAL AGENCY INVESTMENT FUND (LAIF) & CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP)
April 30, 2021

TRANSACTION DATE	DEPOSIT	WITHDRAWAL	INTEREST RECEIVED	BALANCE
CITY ACCOUNT 98-19-620				
Beginning Balance				$ 63,899,652.15
04/15/21			$ 64,111.82	
Subtotal	$ -	$ -	$ 64,111.82	$ 63,963,763.97
PCA ACCOUNT 40-19-060				
Beginning Balance				$ 59,939,028.96
04/15/21			$ 65,482.78	
Subtotal	$ -	$ -	$ 65,482.78	$ 60,004,511.74
LIBRARY ACCOUNT 16-19-012				
Beginning Balance				$ 12,415.55
04/15/21			$ 13.56	
Subtotal	$ -	$ -	$ 13.56	$ 12,429.11
CAMP - CALIFORNIA ASSET MANAGEMENT PROGRAM				
Beginning Balance				$ 248,639.40
04/30/21			$ 11.27	
Subtotal	$ -	$ -	$ 11.27	$ 248,650.67
Total	$ -	$ -	$ 129,619.43	$ 124,229,355.49

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS

POOLED CASH - INVESTMENTS MATURED OR CALLED

April 30, 2021

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

ISSUER	PURCHASE DATE	MATURITY DATE	REDEMPTION DATE	FACE VALUE REDEEMED	INTEREST RECEIVED	NET FUNDS	INVESTED AMOUNT	GAIN/ (LOSS)
9128284G2 U.S. Treasury Note	05-07-18	04-15-21	04-15-21	5,000,000.00	$ 59,375.00	$ 5,059,375.00	5,086,330.00	($86,330.00)
				$ 5,000,000.00	$ 59,375.00	$ 5,059,375.00	$ 5,086,330.00	$ (86,330.00)

Total Number of Transactions: 1

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS

POOLED CASH - INVESTMENTS PURCHASED

April 30, 2021

TN = US Treasury
FP = Federal Paper
CD = Certificate of Deposit
CN = Corporate Notes

ISSUER	PURCHASE DATE	MATURITY DATE	FACE VALUE	PREMIUM / (DISCOUNT)	PURCHASE PRICE	ACCRUED INTEREST PURCHASED	NET PURCHASE	Yield	Next Coupon Amount
3133EMUP5 Fed Farm Credit - Stifel	04-01-21	04-01-25	$ 5,000,000.00	$ -	$ 5,000,000.00	$ -	$ 5,000,000.00	0.71%	
			$ 5,000,000.00	$ -	$ 5,000,000.00	$ -	$ 5,000,000.00		

Total Number of Transactions: 1

SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2021

SUCCESSOR AGENCY POOLED CASH INVESTMENTS

PURCHASE DATE	MATURITY DATE	FUND	ACCOUNT/ INSTITUTION	INTEREST RATE	INVESTED AMOUNT	TOTAL
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND						
09-01-84	n/a	SA ACCOUNT	65-19-035	0.78	5,187,677.21	
TOTAL LAIF ACCOUNTS						$ 5,187,677.21

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	0.01	527,745.18	
08-20-02	n/a	INTEREST ACCT	94460701	0.01	191,293.10	
08-20-02	n/a	PRINCIPAL ACCT	94460702	0.01	7,047.62	
TOTAL CRA - 2002 Sub Lien Tax Allocation Bonds $5.3M ($5,329,748.25)						$ 726,085.90
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	1.97	
04-26-16	n/a	INTEREST ACCT	245113001	N/A	0.00	
TOTAL 2016 SA $31.5M Tax Allocation Refunding Bonds Series A						$ 1.97
GRAND TOTAL - FISCAL AGENT CASH						$726,088

SUMMARY OF CASH AND INVESTMENTS

Cash on Hand	$ 5,441,875
Pooled Cash Investments	$ 5,187,677
Successor Agency Fiscal Agent Cash	$726,088
Grand total	$ 11,355,640

* The interest rate quoted on LAIF and Fiscal Agent/Trustee accounts is the most current rate available.
LAIF interest rates are as of April 30, 2021.

SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS

POOLED CASH - LOCAL AGENCY INVESTMENT FUND (LAIF)
April 30, 2021

TRANSACTION DATE	DEPOSIT	WITHDRAWAL	INTEREST RECEIVED	BALANCE
SA ACCOUNT 65-19-035				
Beginning Balance				$ 5,182,015.96
04/15/21			$ 5,661.25	
Subtotal	$ -	$ -	$ 5,661.25	$ 5,187,677.21

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER'S OFFICE**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE AN AGREEMENT WITH HDL COREN & CONE FOR FOR PROPERTY TAX CONSULTING/AUDIT SERVICES IN AN AMOUNT NOT TO EXCEED $131,000.**

ISSUE

Approve an agreement with HdL Coren & Cone for Property Tax Consulting/Audit in an amount not to exceed $131,000.

RECOMMENDATION

Staff recommends that the City Council:

1. Approve agreement A-7494 for Property Tax Consulting/Audit Services between the City of Palmdale and HdL Coren & Cone not to exceed $82,000 for the initial term for five (5) years commencing July 1, 2021 through June 30, 2026 with the option to renew for two (2) one-year terms.

2. Approve agreement A-7495 for Property Tax Consulting/Audit Services between the Successor Agency of the City of Palmdale and HdL Coren & Cone not to exceed $49,000 for five (5) years commencing from July 1, 2021 through June 30, 2026.

3. Direct the City Attorney to finalize the Agreement and authorize the City Manager or his designee to execute the agreement, including making minor and non-substantive changes.

BACKGROUND

HdL Coren & Cone has provided property tax consulting to the City of Palmdale since 2006. Annually, they provide the City with estimates of property tax revenue anticipated, property sales information, and historical trends. This information is used every year in the preparation of the City's Comprehensive Annual Financial Report (CAFR). HdL also performs Property Tax audits and submits them to Los Angeles County Assessor's office for review and corrective action if needed.

Hdl Coren & Cone also provides reporting that is in compliance with the California Debt Investment Advisory Commission (CDIAC) requirements under the continuing disclosure provisions for the bonds issued by the Redevelopment Agency and is now

under the stewardship of the Successor Agency to the Redevelopment Agency of the City of Palmdale.

DISCUSSION

HdL Coren & Cone is a state-wide expert in data analysis regarding property tax revenues and has the programs, equipment, data, and personnel to provide the necessary services to the City and to potentially increase revenue by monitoring, identifying and reconciliation to county records.

Similarly, HdL Coren & Cone provides the necessary services to the Successor Agency with regards to monitoring, identifying, and reconciling the county records for the three main redevelopment areas to ensure accurate revenue streams are available to meet its annual obligations via the Redevelopment Property Tax Trust Fund (RPTTF), of which a portion of that obligation is the statutory passthrough payment to the City annually. Staff will reassess the necessity of the agreement as the term expires at Year 5, Fiscal Year 2025-26.

FISCAL IMPACT

The fiscal impact to the City's General Fund for A-7494 will be an annual fee of $15,500 for year one (1), with a 2.5% annual increase each year thereafter for year two (2) through year five (5), not exceeding $82,000 for a five-year period. The agreement has the option to renew two (2) one-year terms, extending the contract to Fiscal Year 2027-28, bringing the total seven (7) year contract amount not to exceed $120,000.

The fiscal impact for A-7495 (Successor Agency) will be a fixed annual fee of $9,750 with no annual increase, not exceeding $49,000 for a five-year period. The combined contracts (A-7494 and A-7495) total is $131,000 for a five (5) year period and $169,000 for a seven (7) year period, respectively. The fees are not fixed on a not to exceed basis and that additional services may be necessary, up to the amount authorized for the Contract Officer.

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.

D. Pursue alternative financing opportunities for continued infrastructure improvements and quality community programs.

Prepared by:	Leslie Andrews, Business License Coordinator
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS:

1. Agreement No. A-7494

2. Agreement No. A-7495

CITY OF PALMDALE

AGREEMENT FOR PROPERTY TAX CONSULTING/AUDIT SERVICES

This AGREEMENT (the "Agreement") is made and entered into as of the 1st day of July, 2021 by and between the CITY OF PALMDALE, a municipal corporation hereinafter called CITY, and HdL Coren & Cone, a California Corporation hereinafter called CONTRACTOR.

RECITALS

WHEREAS, property tax revenues can be verified and potentially increased through a system of continuous monitoring, identification and reconciliation to county records; and

WHEREAS, an effective program of property tax management will assist the CITY in fiscal, economic and community development planning; and

WHEREAS, CITY desires the property tax data based reports and data analysis required to effectively manage the CITY property tax base and identify and recover revenues misallocated within the CITY, or to other jurisdictions; and

WHEREAS, CONTRACTOR is a state-wide expert in such data analysis with over 190 public agency clients for whom such services are performed and has the programs, equipment, data and personnel required to deliver the property tax services referenced herein;

WHEREAS, CITY prefers to pay for certain of such services through a contingency arrangement where payment is made from monies recovered and CONTRACTOR is willing to base its compensation on such a risk-based formula.

NOW, THEREFORE, CITY and CONTRACTOR, for the consideration hereinafter described, mutually agree as follows:

1.0 DEFINITIONS

For purposes of this Agreement, the following terms shall have the meaning stated below:

Audit Review: "Audit" or "Audit Review" shall mean the comparison of databases to ensure that parcels are correctly coded with the appropriate tax rate area to return revenue to the client city. Audits include the secured and unsecured tax rolls and where secured records are corrected; the corresponding unsecured records related to those properties are also corrected. A review of the calculation methodologies developed by auditor/controller offices in the administration of property tax revenues or tax increment revenues is made to ensure compliance. New annexations are audited the 1st or 2nd year after the area's adoption due to

the timing of LAFCO and the State Board of Equalization in assigning new tax rate areas and county processing of those changes.

County: "County" shall mean the County in which the CITY is located.

Database: "Database" shall mean a computerized listing of property tax parcels and information compiled for CITY from information provided by the County.

Days: "Days" shall mean calendar days.

Property Tax Roll: "Property Tax Roll" shall mean the assessed values of parcels on the secured and unsecured lien date rolls as reported by the County.

Proprietary Information: "Proprietary Information" shall be the reports, technical information, compilations of data, methodologies, formula, software, programs, technologies and other processes previously designed and developed by CONTRACTOR and used in the performance of the services hereunder.

Recovered/Reallocated Revenue: "Recovered or Reallocated Revenue" shall mean additional revenue received as a result of an audit or review of properties submitted for correction or for corrections due erroneous calculations or incorrect methods of distributing revenue discovered by the CONTRACTOR and then made by county agencies which result in a return of additional revenue to the city/agency. Reviews of city administered pass throughs are performed to ensure the correctness of distributions being made to participating agencies.

Scope of Services: "Scope of Services" shall mean all of the Base Services specified in Section 2.0, the Optional Services in Section 3.0, the Additional Services in Section 4.0, or any other services rendered hereunder.

TRA: "Tax Rate Area" shall mean the area subject to the tax rate.

2.0 BASE SERVICES

The CONTRACTOR shall perform all of the following duties as part of the Base Services provided hereunder, unless otherwise specified in writing by the Contract Officer:

2.1 Analysis And Identification Of Misallocation Errors (Contingent Fee)

(a) In the first year of this Agreement, and as necessary thereafter but not less than once every five (5) years, CONTRACTOR shall conduct an analysis to identify and verify in the CITY parcels on the secured Property Tax Roll which are not properly attributed to the CITY, and will provide the correct TRA designation to the proper County agency. Typical errors include parcels assigned to incorrect TRAs within the CITY or an adjacent city, and TRAs allocated to wrong taxing agencies.

(b) CONTRACTOR shall annually reconcile the annual auditor-controller assessed valuations report to the assessor's lien date rolls and identify discrepancies.

(c) CONTRACTOR shall annually review parcels on the unsecured Property Tax Roll to identify inconsistencies such as value variations, values being reported to a mailing address rather than the situs address, and errors involving TRAs (to the extent records are available).

(d) CONTRACTOR may audit general fund property tax revenue or other revenues attributable to the CITY and special districts.

2.2 Annual Services (Fixed Fee)

Annually, after the Property Tax Roll is available:

(a) CONTRACTOR shall establish a Database for CITY available through CONTRACTOR's online property tax application.

(b) Utilizing the Database, CONTRACTOR will provide:

(1) A listing of the major property owners in the CITY, including the assessed value of their property.

(2) A listing of the major property tax payers, including an estimate of the property taxes.

(3) A listing of property tax transfers which occurred since the prior lien date.

(4) A comparison of property within the CITY by county-use code designation.

(5) A listing by parcel of new construction activity between tax years to provide reports for use in the CITY's preparation of Gann (Propositions 4 and 111) State Appropriation Limit calculations.

(6) Calculate an estimate of property tax revenue anticipated to be received for the fiscal year by the CITY. This estimate is based upon the initial information provided by the County and is subject to modification. This estimate shall not be used to secure the indebtedness of the CITY.

(7) Development of forecast of estimated general fund property tax revenue for future fiscal years.

(8) Development of historical trending reports involving taxable assessed values for the CITY, median and average sales prices, foreclosure activity and related economics trends.

(9) Upon written request, analyses based on geographic areas designated by the CITY to include assessed valuations and square footage computations for use in community development planning.

2.3 Quarterly Services/Monthly Services (Fixed Fee)

The CONTRACTOR shall perform the following services quarterly:

(a) A listing of property tax appeals filed on properties in the CITY (selected counties).

(b) A listing of property transfers that have occurred since the last report.

(c) Monthly update of CONTRACTOR'S web-based software program to include parcel transfer data and, in select counties, appeal updates.

2.4 On-Going Consultation (Fixed Fee)

During the term of this Agreement, CONTRACTOR will serve as the CITY's resource staff on questions relating to property tax and assist in estimating current year property tax revenues. On-going consultation would include, but not be limited to, inquiries resolved through use of the CITY's database.

3.0 OPTIONAL SERVICES

The following services are available on a time and materials basis:

3.1 Specified Data

Generation of specialized data-based reports or the development of special geo-based designations from CITY maps or geographic areas which would require additional programming, the purchase of additional data, costs for county staff research, additional historical parcel tracking by CONTRACTOR or similar matters not necessary to carry out services outlined in Section 2.0.

3.2 County Research

Any research with County agencies for which CONTRACTOR does not have a current database.

3.3 Specialized Services

Other services for which the CONTRACTOR has expertise as requested by the CITY.

3.3 Additional Meetings Requested

Meetings in excess of the annual meeting to review the analysis of property tax data, trending information, and other findings with CITY shall be considered an Optional Service.

4.0 ADDITIONAL SERVICES

CITY shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Contractor, incorporating therein any material adjustment in the contract and/or the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor. Any increase in compensation of up to $25,000, or in the time to perform of up to one hundred eighty (180) days may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City Council. It is expressly understood by Contractor that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein.

5.0 OBLIGATIONS OF THE PARTIES WITH RESPECT TO SERVICES

5.1 City Materials and Support

CITY agrees to provide the following information:

1. Current CITY maps;

2. A copy of reports received by the CITY annually from the Auditor-Controller's office detailing assessed values (secured, unsecured and utilities), as well as unitary values for reconciliation analysis;

3. Parcel listing and maps of CITY parcel annexations since the lien date roll;

4. A listing of completed new construction projects with Assessor's map book, page and parcel numbers (APN) for proper identification and tracking for two years prior to the date of this Agreement. If the data does not include the APN information, CONTRACTOR will research this information at an additional cost;

5. A listing of the CITY levies assessment districts and direct assessments.

6. Remittance Advices

5.2 Compliance with Law

All services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the CITY and any Federal, State or local governmental agency having jurisdiction in effect at the time service is rendered.

5.3 License, Permits, Fees and Assessments

CONTRACTOR shall obtain such licenses, permits and approvals (collectively the "Permits") as may be required by law for the performance of the services required by this Agreement. CITY shall assist CONTRACTOR in obtaining such Permits, and CITY shall absorb all fees, assessments and taxes which are necessary for any Permits required to be issued by CITY.

5.4 Further Responsibilities of Parties

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

6.0 CONSIDERATION

6.1 Base Fixed Fee Services

CONTRACTOR shall provide the Base Services described in Section 2.0 above, for a fixed annual fee of $15,500.00 (invoiced quarterly).

The Base Fixed Fee shall be adjusted annually by the lesser of 2.5% or California Consumer Price Index (CCPI) for all items as determined by the California Department of Industrial Relations as measured February to February by the California All Urban Consumers index.

Base Contingent Fee Services

For Base Services pursuant to Section 2.1 which are payable on a contingent basis, CONTRACTOR shall receive 25 percent of general fund revenue or other revenues attributable to CITY, districts, or funds recovered or reallocated which are directly or indirectly the result of an audit, analysis or consultation performed by CONTRACTOR. CONTRACTOR shall separate and support said reallocation and provide CITY with an itemized invoice showing all amounts due as a result of revenue recovery or reallocation. CITY shall pay audit fees after Contractor's submittal of evidence that corrections have been made by the appropriate agency. Payment to CONTRACTOR shall be made within thirty (30) days after CITY receives its first remittance advice during the fiscal year for which the correction applies.

6.2 Optional Services

Fees for Optional Services as outlined in Services in Section 3.0 above (except Section 3.4) shall be billed at the following hourly rates:

Partner	$225 per hour
Principal	$195 per hour
Programmer	$175 per hour
Associate	$150 per hour
Senior Analyst	$100 per hour
Analyst	$ 65 per hour
Administrative	$ 45 per hour

Hourly rates are exclusive of expenses and are subject to adjustment by CONTRACTOR annually. On July 1st of each year CONTRACTOR shall provide CITY with an updated schedule of hourly rates. The rates will not be increased by more than five percent (5%) per year. In addition, expenses for Optional Services shall be billed at 1.15 times actual incurred costs.

6.3 Indirect Expenses

Except as specified above, no other charges shall be made for direct or indirect expenses incurred by CONTRACTOR in performing the services in the Scope of Services including for administrative overhead, salaries of CONTRACTOR'S employees, travel expenses or similar matters.

6.4 Due Date

All fees are due 30 days immediately following billing. All amounts that are not paid when due shall accrue interest from the due date at the rate of one percent per month (12% per annum).

7.0 TERM PERFORMANCE SCHEDULE

7.1 Time of Essence

Time is of the essence in the performance of this Agreement.

7.2 Schedule of Performance

CONTRACTOR shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "A", and incorporated herein by this reference. When requested by the CONTRACTOR, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

7.3 Force Majeure

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the CONTRACTOR, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the CITY, if the CONTRACTOR shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified.

7.4 Term

Unless earlier terminated in accordance with Section 9.11 of this Agreement, this Agreement shall continue in full force and effect for five (5) years and may, at the CITY's authorization, be extended for 2 additional 1 year periods.

8.0 COORDINATION OF WORK

8.1 Representative of Contractor

The following principals of CONTRACTOR are hereby designated as being the principals and representatives of CONTRACTOR authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

Nichole Cone
HdL COREN & CONE
120 S State College Boulevard, Suite 200
Brea, California 92821

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for CITY to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of CONTRACTOR and devoting sufficient time to personally supervise the services hereunder. For purposes of this Agreement, the foregoing principals may not be replaced nor may their responsibilities be substantially reduced by CONTRACTOR without the express written approval of CITY.

8.2 Contract Officer

The Contract Officer shall be such person as may be designated by the City Manager of CITY. It shall be the CONTRACTOR'S responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the CONTRACTOR shall refer any decisions which must be made by CITY to the Contract Officer. Unless otherwise specified herein, any approval of CITY required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority to

sign all documents on behalf of the CITY required hereunder to carry out the terms of this Agreement.

8.3 Prohibition Against Subcontracting or Assignment

The experience, knowledge, capability and reputation of CONTRACTOR, its principals and employees were a substantial inducement for the CITY to enter into this Agreement. Therefore, CONTRACTOR shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the CITY. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of CITY. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than fifty percent (50%) of the present ownership and/or control of CONTRACTOR, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the CONTRACTOR or any surety of CONTRACTOR of any liability hereunder without the express consent of CITY.

8.4 Independent Contractor

Neither the CITY nor any of its employees shall have any control over the manner, mode or means by which CONTRACTOR, its agents or employees, perform the services required herein, except as otherwise set forth herein. CITY shall have no voice in the selection, discharge, supervision or control of CONTRACTOR'S employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. CONTRACTOR shall perform all services required herein as an independent CONTRACTOR of CITY and shall remain at all times as to CITY a wholly independent CONTRACTOR with only such obligations as are consistent with that role. CONTRACTOR shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of CITY. CITY shall not in any way or for any purpose become or be deemed to be a partner of CONTRACTOR in its business or otherwise or a joint venturer or a member of any joint enterprise with CONTRACTOR.

INSURANCE AND INDEMNIFICATION

8.5 Insurance

The CONTRACTOR shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to CITY, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

(a) Comprehensive General Liability Insurance. The policy of insurance shall be in an amount not less than either (i) a combined single limit of $1,000,000 for bodily injury, death and property damage or (ii) bodily injury limits of $500,000 per person, $1,000,000 per occurrence and $1,000,000 products and completed operations and property damage limits of $500,000 per occurrence and $500,000 in the aggregate.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the CONTRACTOR and the CITY against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the CONTRACTOR in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance. A policy of comprehensive automobile liability insurance written on a per occurrence basis in an amount not less than either (i) bodily injury liability limits of $250,000 per person and $500,000 per occurrence and property damage liability limits of $100,000 per occurrence and $250,000 in the aggregate or (ii) combined single limit liability of $500,000. Said policy shall include coverage for owned, non-owned, leased and hired cars.

(d) Errors and Omissions (Professional Liability). A policy of professional liability issuance written on a claims made basis in an amount not less than One Million Dollars ($1,000,000).

8.6 General Requirements. All of the above policies of insurance shall be primary insurance and shall name the CITY, its officers, employees and agents as additional insureds. The insurer shall waive all rights of subrogation and contribution it may have against the CITY, its officers, employees and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may not be amended or cancelled without providing thirty (30) days prior written notice by registered mail to the CITY. In the event any of said policies of insurance are cancelled, the CONTRACTOR shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section 9.0 to the Contract Officer. No work or services under this Agreement shall commence until the CONTRACTOR has provided the CITY with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the CITY.

8.7 Indemnification

CONTRACTOR agrees to indemnify and defend the CITY, its officers, agents and employees against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities, (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities of CONTRACTOR, its agents, employees, subcontractors, or invitees, provided for herein, or arising from the negligent acts or omissions of CONTRACTOR hereunder, or arising from CONTRACTOR'S negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, whether or not there is concurrent passive or active negligence on the part of the CITY, its officers, agents or employees but excluding such claims or liabilities arising from the sole negligence or willful misconduct of the CITY, its officers, agents or employees, who are directly responsible to the CITY.

8.8 Sufficiency of Insurer or Surety

Insurance or bonds required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the CITY due to unique circumstances. In the event the Risk Manager of CITY ("Risk Manager") determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the CITY, the CONTRACTOR agrees that the minimum limits of the insurance policies and the performance bond required by this Section 9.0 may be changed accordingly upon receipt of written notice from the Risk Manager; provided that the CONTRACTOR shall have the right to appeal a determination of increased coverage by the Risk Manager to the CITY Council of CITY within 10 days of receipt of notice from the Risk Manager.

9.0 RECORDS AND REPORTS

9.1 Reports

CONTRACTOR shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require.

9.2 Records

CONTRACTOR shall keep, and require subcontractors to keep, such books and records as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of CITY, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the CITY shall have access to such records in the event any audit is required.

9.3 Non-Disclosure of Proprietary Information

In performing its duties under this Agreement, CONTRACTOR will produce reports, technical information and other compilations of data to CITY. These reports, technical information and compilations of data are derived by CONTRACTOR using methodologies, formulae, programs, techniques and other processes designed and developed by CONTRACTOR at a substantial expense. CONTRACTOR'S reports, technical information, compilations of data, methodologies, formulae, software, programs, techniques and other processes designed and developed by CONTRACTOR shall be referred to as Proprietary Information. CONTRACTOR'S Proprietary Information is not generally known by the entities with which CONTRACTOR competes.

CONTRACTOR desires to protect its Proprietary Information. Accordingly, CITY agrees that neither it nor any of its employees, agents, independent contractors or other persons or organizations over which it has control, will at any time during or after the term

of this Agreement, directly or indirectly use any of CONTRACTOR'S Proprietary Information for any purpose not associated with CONTRACTOR'S activities. Further, CITY agrees that it nor any of its employees, agents, independent contractors or other persons or organizations over which it has control, will disseminate or disclose any of CONTRACTOR'S Proprietary Information to any person or organization not connected with CONTRACTOR, without the express written consent of CONTRACTOR. The CITY also agrees that consistent with its obligations under the California Public Records Act and related disclosure laws, it will undertake all necessary and appropriate steps to maintain the proprietary nature of CONTRACTOR'S Proprietary Information.

Any use of the Proprietary Information or any other reports, records, documents or other materials prepared by CONTRACTOR hereunder for other projects and/or use of uncompleted documents without specific written authorization by the CONTRACTOR will be at the CITY's sole risk and without liability to CONTRACTOR, and the CITY shall indemnify the CONTRACTOR for all damages resulting therefrom.

9.4 Release of Documents Pursuant to Public Records Act

Notwithstanding any other provision in this Agreement, all obligations relating to disclosure of Proprietary Information remain subject to the Freedom of Information Act or California Public Records Act, Cal. Gov't Code §§ 6250 et seq. (collectively, the "PRA"). The Parties intend that if CITY is served with a request for disclosure under the PRA, or any similar statute, the CITY in good faith will make the determination as to whether the material is discloseable or exempt under the statute, and shall resist the disclosure of Proprietary Information which is exempt from disclosure to the extent allowable under the law. CITY shall advise CONTRACTOR in writing five (5) days prior to the intended disclosure of any decision to disclose Proprietary Information, and the reasons therefore, and if CONTRACTOR then timely advises CITY in writing that it objects to the disclosure, CITY shall not disclose the information. In such case, CONTRACTOR shall then be solely liable for defending the non-disclosure and shall indemnify and hold CITY harmless for such nondisclosure.

ENFORCEMENT OF AGREEMENT

9.5 California Law

This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and CONTRACTOR covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

9.6 Disputes

In the event of any dispute arising under this Agreement, the injured party shall notify the injuring party in writing of its contentions by submitting a claim therefor. The injured party shall continue performing its obligations hereunder so long as the injuring

party commences to cure such default within ten (10) days of service of such notice and completes the cure of such default within forty-five (45) days after service of the notice, or such longer period as may be permitted by the injured party; provided that if the default is an immediate danger to the health, safety and general welfare, such immediate action may be necessary. Compliance with the provisions of this Section shall be a condition precedent to termination of this Agreement for cause and to any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit CITY's or the CONTRACTOR'S right to terminate this Agreement without cause pursuant to Section 11.6.

9.7 Waiver

No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

9.8 Rights and Remedies are Cumulative

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

9.9 Legal Action

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

9.10 Termination Prior to Expiration of Term

This Section shall govern any termination of this Agreement. The Parties reserve the right to terminate this Agreement at any time, with or without cause, upon forty-five (45) days' written notice to the non-terminating party, except that where termination is for cause, the Parties will comply with the dispute resolution process in Section 11.2. Upon issuance of any notice of termination, CONTRACTOR shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. The CONTRACTOR shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter. In the event of termination without cause pursuant to this

Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 11.2.

9.11 Attorneys' Fees

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

10.0 CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

10.1 Non-liability of CITY Officers and Employees

No officer or employee of the CITY shall be personally liable to the CONTRACTOR, or any successor in interest, in the event of any default or breach by the CITY or for any amount which may become due to the CONTRACTOR or to its successor, or for breach of any obligation of the terms of this Agreement.

10.2 Conflict of Interest

No officer or employee of the CITY shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The CONTRACTOR warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

10.3 Covenant Against Discrimination

CONTRACTOR covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. CONTRACTOR shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

11.0 MISCELLANEOUS PROVISIONS

11.1 Notice

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail addressed as follows:

CITY: CITY OF PALMDALE
Finance Department
38300 Sierra Highway, Suite D
Palmdale, California 93550

CONTRACTOR: HdL COREN & CONE
120 S State College Boulevard, Suite 200
Brea, California 92821

Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

11.2 Interpretation

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

11.3 Integration; Amendment

It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

11.4 Severability

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid

provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

11.5 Corporate Authority

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

CITY OF PALMDALE:

_____
JJ Murphy, ICMA-CM Date
City Manager

HdL COREN & CONE:

_____
Nichole Cone-Morishita Date
Chief Financial Officer

_____
David Schey Date
Secretary

ADDRESS FOR NOTICE:
CITY OF PALMDALE
38300 Sierra Hwy, Suite A
Palmdale, CA 93550

ADDRESS FOR CONTRACTOR:
HdL COREN & CONE
120 S. State College Blvd. Ste 200
Brea, CA 92821

APPROVE AS TO FORM:

_____
Christopher L. Beck
City Attorney

ATTEST:

_____
Shanae S. Smith
City Clerk

EXHIBIT "A"

SCHEDULE OF PERFORMANCE

TIMELINE FOR DELIVERABLES

July/August	Data available for purchase from counties
September 30	Data available on HdLCC's web-based property tax application
September-October	Unsecured audits performed and forwarded to county assessor
October	Appeals quarterly updates emailed in counties where the data is available
October-February	Delivery of preliminary property tax reports
January	Appeals quarterly updates emailed in counties where the data is available
March/April	General Fund Budget Projections
April	Appeals quarterly updates emailed in counties where the data is available
April/May	Final Books – Addendums emailed to clients
July	Appeals quarterly updates emailed in counties where the data is available
Ongoing	Secured Audits – City Property sales reports City and Successor Agency mid-year budget reviews and budget projections Analytical work at the request of clients Monthly updates of database with property sale information

SUCCESSOR AGENCY OF PALMDALE

AGREEMENT FOR PROPERTY TAX CONSULTING/AUDIT SERVICES

This AGREEMENT (the "Agreement") is made and entered into as of the 1st day of July, 2021 by and between the SUCCESSOR AGENCY OF THE CITY OF PALMDALE, a California Successor Agency hereinafter called AGENCY, and HdL Coren & Cone, a California Corporation hereinafter called CONTRACTOR.

RECITALS

WHEREAS, property tax revenues can be verified and potentially increased through a system of continuous monitoring, identification and reconciliation to county records; and

WHEREAS, an effective program of property tax management will assist the AGENCY in fiscal, economic and community development planning; and

WHEREAS, AGENCY desires the property tax data based reports and data analysis required to effectively manage the AGENCY property tax base and identify and recover revenues misallocated within the AGENCY, or to other jurisdictions; and

WHEREAS, CONTRACTOR is a state-wide expert in such data analysis with over 190 public agency clients for whom such services are performed and has the programs, equipment, data and personnel required to deliver the property tax services referenced herein;

WHEREAS, AGENCY prefers to pay for certain of such services through a contingency arrangement where payment is made from monies recovered and CONTRACTOR is willing to base its compensation on such a risk-based formula.

NOW, THEREFORE, AGENCY and CONTRACTOR, for the consideration hereinafter described, mutually agree as follows:

1.0 DEFINITIONS

For purposes of this Agreement, the following terms shall have the meaning stated below:

Audit Review: "Audit" or "Audit Review" shall mean the comparison of databases to ensure that parcels are correctly coded with the appropriate tax rate area to return revenue to the client successor agency. Audits include the secured and unsecured tax rolls and where secured records are corrected; the corresponding unsecured records related to those properties are also corrected. A review of the calculation methodologies developed by auditor/controller offices in the administration of property tax revenues or tax increment revenues is made to

ensure compliance. New annexations and newly created redevelopment project areas are audited the 1st or 2nd year after the area's adoption due to the timing of LAFCO and the State Board of Equalization in assigning new tax rate areas and county processing of those changes.

County: "County" shall mean the County in which the AGENCY is located.

Database: "Database" shall mean a computerized listing of property tax parcels and information compiled for AGENCY from information provided by the County.

Days: "Days" shall mean calendar days.

Project Area: "Project Area(s)" shall mean the project areas of former redevelopment agency

Property Tax Roll: "Property Tax Roll" shall mean the assessed values of parcels on the secured and unsecured lien date rolls as reported by the County.

Proprietary Information: "Proprietary Information" shall be the reports, technical information, compilations of data, methodologies, formula, software, programs, technologies and other processes previously designed and developed by CONTRACTOR and used in the performance of the services hereunder.

Successor Agency: "Successor Agency" means the City's administration pursuant to Section 34176 of the Health and Safety Code of the former community redevelopment agency of CITY).

Recovered/Reallocated Revenue: "Recovered or Reallocated Revenue" shall mean additional revenue received as a result of an audit or review of properties submitted for correction or for corrections due erroneous calculations or incorrect methods of distributing revenue discovered by the CONTRACTOR and then made by county agencies which result in a return of additional revenue to the AGENCY. Reviews of AGENCY administered pass throughs are performed to ensure the correctness of distributions being made to participating agencies.

Scope of Services: "Scope of Services" shall mean all of the Base Services specified in Section 2.0, the Optional Services in Section 3.0, the Additional Services in Section 4.0, or any other services rendered hereunder.

TRA: "Tax Rate Area" shall mean the area subject to the tax rate.

2.0 BASE SERVICES

The CONTRACTOR shall perform all of the following duties as part of the Base Services provided hereunder, unless otherwise specified in writing by the Contract Officer:

2.1 Analysis And Identification Of Misallocation Errors (Contingent Fee)

(a) In the first year of this Agreement, and as necessary thereafter but not less than once every five (5) years, CONTRACTOR shall conduct an analysis to identify and verify in the AGENCY parcels on the secured Property Tax Roll which are not properly attributed to an AGENCY, and will provide the correct TRA designation to the proper County agency. Typical errors include parcels assigned to incorrect TRAs within the AGENCY, and TRAs allocated to wrong taxing agencies.

(b) CONTRACTOR shall annually reconcile the annual auditor-controller assessed valuations report to the assessor's lien date rolls and identify discrepancies.

(c) CONTRACTOR shall annually review parcels on the unsecured Property Tax Roll to identify inconsistencies such as value variations, values being reported to a mailing address rather than the situs address, and errors involving TRAs (to the extent records are available).

(d) CONTRACTOR may audit general fund or tax increment property tax revenue or other revenues attributable to the SUCCESSOR AGENCY (including but not limited base year value audits; administration of tax sharing agreements; tax increment allocation reviews; county allocation and payments reviews).

2.2 Annual Services (Fixed Fee)

Annually, after the Property Tax Roll is available:

(a) CONTRACTOR shall establish a Database for AGENCY available through CONTRACTOR’s online property tax application.

(b) Utilizing the Database, CONTRACTOR will provide:

(1) A listing of the major property owners in the AGENCY, including the assessed value of their property.

(2) A listing of the major property tax payers, including an estimate of the property taxes.

(3) A listing of property tax transfers which occurred since the prior lien date.

(4) A comparison of property within the AGENCY by county-use code designation.

(5) Calculate an estimate of property tax revenue anticipated to be received for the fiscal year by the AGENCY. This estimate is based upon the initial information provided by the County and is subject

to modification. This estimate shall not be used to secure the indebtedness of the AGENCY.

(6) Development of historical trending reports involving taxable assessed values for the AGENCY, median and average sales prices, foreclosure activity and related economics trends.

(7) Upon written request, analyses based on geographic areas designated by the AGENCY to include assessed valuations and square footage computations for use in community development planning.

2.3 Successor Agency Services

Successor Agency Services including but not limited to:

(a) Tax increment projections
(b) Cash flows for the Successor Agency by Project Area
(c) Assistance with Redevelopment Obligation Payment Schedules
(d) Assistance in providing property tax information for the taxing agencies receiving property tax revenues from former Project Areas
(e) Estimates of property tax revenues to be received by the taxing entities from former Project Areas
(f) Provide property tax information to the Oversight Board at the direction of the Successor Agency
(g) Provide access to the Oversight Board to AGENCY and former redevelopment agency documents at the direction of the Successor Agency
(h) Monitor the County distribution of tax-sharing revenues to the taxing entities of the former redevelopment agency
(i) Coordinate with the Auditor-Controller the relationship between the tax-sharing, debt service and other obligations of former redevelopment agency
(j) Prepare as needed an assessment resources available to the Successor Agency to meet the long-term obligations of the former redevelopment agency

2.4 Quarterly Services/Monthly Services (Fixed Fee)

The CONTRACTOR shall perform the following services quarterly:

(a) A listing of property tax appeals filed on properties in the AGENCY (selected counties).

(b) A listing of property transfers that have occurred since the last report.

(c) Monthly update of CONTRACTOR'S web-based software program to include parcel transfer data and, in select counties, appeal updates.

2.5 On-Going Consultation (Fixed Fee)

During the term of this Agreement, CONTRACTOR will serve as the AGENCY's resource staff on questions relating to property tax and assist in estimating current year property tax revenues. On-going consultation would include, but not be limited to, inquiries resolved through use of the AGENCY's database.

3.0 OPTIONAL SERVICES

The following services are available on a time and materials basis:

3.1 Specified Data

Generation of specialized data-based reports or the development of special geo-based designations from AGENCY maps or geographic areas which would require additional programming, the purchase of additional data, costs for county staff research, additional historical parcel tracking by CONTRACTOR or similar matters not necessary to carry out services outlined in Section 2.0.

3.2 County Research

Any research with County agencies for which CONTRACTOR does not have a current database.

3.3 Specialized Services

Other services for which the CONTRACTOR has expertise as requested by the AGENCY.

3.3 Additional Meetings Requested

Meetings in excess of the annual meeting to review the analysis of property tax data, trending information, and other findings with AGENCY shall be considered an Optional Service.

4.0 ADDITIONAL SERVICES

AGENCY shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Contractor, incorporating therein any material adjustment in the contract and/or the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor. Any increase in compensation of up to $25,000, or in the time to perform of up to one hundred eighty (180) days may be approved by the

Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the AGENCY Oversight Board. It is expressly understood by Contractor that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein.

5.0 OBLIGATIONS OF THE PARTIES WITH RESPECT TO SERVICES

5.1 AGENCY Materials and Support

AGENCY agrees to provide the following information:

1. Current AGENCY maps;

2. A copy of reports received by the AGENCY annually from the Auditor-Controller's office detailing assessed values (secured, unsecured and utilities), as well as unitary values for reconciliation analysis;

3. SUCCESSOR AGENCY formation documents, debt service schedules, plan caps, DDA/OPA agreements.

4. Remittance Advices

5.2 Compliance with Law

All services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the AGENCY and any Federal, State or local governmental agency having jurisdiction in effect at the time service is rendered.

5.3 License, Permits, Fees and Assessments

CONTRACTOR shall obtain such licenses, permits and approvals (collectively the “Permits”) as may be required by law for the performance of the services required by this Agreement. AGENCY shall assist CONTRACTOR in obtaining such Permits, and AGENCY shall absorb all fees, assessments and taxes which are necessary for any Permits required to be issued by AGENCY.

5.4 Further Responsibilities of Parties

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

6.0 CONSIDERATION

6.1 Base Fixed Fee Services

CONTRACTOR shall provide the Base Services described in Section 2.0 above, for a fixed annual fee of $9,750.00 (invoiced quarterly).

Base Contingent Fee Services

For Base Services pursuant to Section 2.1 which are payable on a contingent basis, CONTRACTOR shall receive 25 percent of tax increment property tax revenue or other revenues attributable to SUCCESSOR AGENCY, or funds recovered or reallocated which are directly or indirectly the result of an audit, analysis or consultation performed by CONTRACTOR (including but not limited to base year value audits; administration of tax sharing agreements; tax increment allocation reviews; county allocation reviews). CONTRACTOR shall separate and support said reallocation and provide AGENCY with an itemized invoice showing all amounts due as a result of revenue recovery or reallocation. AGENCY shall pay audit fees after Contractor's submittal of evidence that corrections have been made by the appropriate agency. Payment to CONTRACTOR shall be made within thirty (30) days after AGENCY receives its first remittance advice during the fiscal year for which the correction applies.

6.2 Optional Services

Fees for Optional Services as outlined in Services in Section 3.0 above (except Section 3.4) shall be billed at the following hourly rates:

Partner	$225 per hour
Principal	$195 per hour
Programmer	$175 per hour
Associate	$150 per hour
Senior Analyst	$100 per hour
Analyst	$ 65 per hour
Administrative	$ 45 per hour

Hourly rates are exclusive of expenses and are subject to adjustment by CONTRACTOR annually. On July 1st of each year CONTRACTOR shall provide AGENCY with an updated schedule of hourly rates. The rates will not be increased by more than five percent (5%) per year. In addition, expenses for Optional Services shall be billed at 1.15 times actual incurred costs.

6.3 Indirect Expenses

Except as specified above, no other charges shall be made for direct or indirect expenses incurred by CONTRACTOR in performing the services in the Scope of Services including for administrative overhead, salaries of CONTRACTOR'S employees, travel expenses or similar matters.

6.4 Due Date

All fees are due 30 days immediately following billing. All amounts that are not paid when due shall accrue interest from the due date at the rate of one percent per month (12% per annum).

7.0 TERM PERFORMANCE SCHEDULE

7.1 Time of Essence

Time is of the essence in the performance of this Agreement.

7.2 Schedule of Performance

CONTRACTOR shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "A", and incorporated herein by this reference. When requested by the CONTRACTOR, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

7.3 Force Majeure

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the CONTRACTOR, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the AGENCY, if the CONTRACTOR shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified.

7.4 Term

Unless earlier terminated in accordance with Section 9.11 of this Agreement, this Agreement shall continue in full force and effect for five (5) years and may, at the AGENCY'S authorization, be extended for 2 additional 1 year periods.

8.0 COORDINATION OF WORK

8.1 Representative of Contractor

The following principals of CONTRACTOR are hereby designated as being the principals and representatives of CONTRACTOR authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

Nichole Cone
HdL COREN & CONE
120 S State College Boulevard, Suite 200
Brea, California 92821

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for AGENCY to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of CONTRACTOR and devoting sufficient time to personally supervise the services hereunder. For purposes of this Agreement, the foregoing principals may not be replaced nor may their responsibilities be substantially reduced by CONTRACTOR without the express written approval of AGENCY.

8.2 Contract Officer

The Contract Officer shall be such person as may be designated by the AGENCY. It shall be the CONTRACTOR'S responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the CONTRACTOR shall refer any decisions which must be made by AGENCY to the Contract Officer. Unless otherwise specified herein, any approval of AGENCY required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority to sign all documents on behalf of the AGENCY required hereunder to carry out the terms of this Agreement.

8.3 Prohibition Against Subcontracting or Assignment

The experience, knowledge, capability and reputation of CONTRACTOR, its principals and employees were a substantial inducement for the AGENCY to enter into this Agreement. Therefore, CONTRACTOR shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the AGENCY. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of AGENCY. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than fifty percent (50%) of the present ownership and/or control of CONTRACTOR, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the CONTRACTOR or any surety of CONTRACTOR of any liability hereunder without the express consent of AGENCY.

8.4 Independent Contractor

Neither the AGENCY nor any of its employees shall have any control over the manner, mode or means by which CONTRACTOR, its agents or employees, perform the services required herein, except as otherwise set forth herein. AGENCY shall have no voice in the selection, discharge, supervision or control of CONTRACTOR'S employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. CONTRACTOR shall perform all services required herein as an independent CONTRACTOR of AGENCY and shall remain at all times as to AGENCY a wholly independent CONTRACTOR with only such obligations as are consistent with that role. CONTRACTOR shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of AGENCY. AGENCY shall not in any way or for any purpose become or be deemed to be a partner of CONTRACTOR in its business or otherwise or a joint venturer or a member of any joint enterprise with CONTRACTOR.

INSURANCE AND INDEMNIFICATION

8.5 Insurance

The CONTRACTOR shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to AGENCY, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

(a) Comprehensive General Liability Insurance. The policy of insurance shall be in an amount not less than either (i) a combined single limit of $1,000,000 for bodily injury, death and property damage or (ii) bodily injury limits of $500,000 per person, $1,000,000 per occurrence and $1,000,000 products and completed operations and property damage limits of $500,000 per occurrence and $500,000 in the aggregate.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both the CONTRACTOR and the AGENCY against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the CONTRACTOR in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance. A policy of comprehensive automobile liability insurance written on a per occurrence basis in an amount not less than either (i) bodily injury liability limits of $250,000 per person and $500,000 per occurrence and property damage liability limits of $100,000 per occurrence and $250,000 in the aggregate or (ii) combined single limit liability of $500,000. Said policy shall include coverage for owned, non-owned, leased and hired cars.

(d) Errors and Omissions (Professional Liability). A policy of professional liability issuance written on a claims made basis in an amount not less than One Million Dollars ($1,000,000).

8.6 General Requirements. All of the above policies of insurance shall be primary insurance and shall name the AGENCY, its officers, employees and agents as additional insureds. The insurer shall waive all rights of subrogation and contribution it may have against the AGENCY, its officers, employees and agents and their respective insurers. All of said policies of insurance shall provide that said insurance may not be amended or cancelled without providing thirty (30) days prior written notice by registered mail to the AGENCY. In the event any of said policies of insurance are cancelled, the CONTRACTOR shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section 9.0 to the Contract Officer. No work or services under this Agreement shall commence until the CONTRACTOR has provided the AGENCY with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the AGENCY.

8.7 Indemnification

CONTRACTOR agrees to indemnify and defend the AGENCY, its officers, agents and employees against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities, (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities of CONTRACTOR, its agents, employees, subcontractors, or invitees, provided for herein, or arising from the negligent acts or omissions of CONTRACTOR hereunder, or arising from CONTRACTOR'S negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, whether or not there is concurrent passive or active negligence on the part of the AGENCY, its officers, agents or employees but excluding such claims or liabilities arising from the sole negligence or willful misconduct of the AGENCY, its officers, agents or employees, who are directly responsible to the AGENCY.

8.8 Sufficiency of Insurer or Surety

Insurance or bonds required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the AGENCY due to unique circumstances. In the event the Risk Manager of AGENCY ("Risk Manager") determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the AGENCY, the CONTRACTOR agrees that the minimum limits of the insurance policies and the performance bond required by this Section 9.0 may be changed accordingly upon receipt of written notice from the Risk Manager; provided that the CONTRACTOR shall have the right to appeal a determination of increased coverage by the Risk Manager to the AGENCY Council of AGENCY within 10 days of receipt of notice from the Risk Manager.

9.0 RECORDS AND REPORTS

9.1 Reports

CONTRACTOR shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require.

9.2 Records

CONTRACTOR shall keep, and require subcontractors to keep, such books and records as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of AGENCY, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the AGENCY shall have access to such records in the event any audit is required.

9.3 Non-Disclosure of Proprietary Information

In performing its duties under this Agreement, CONTRACTOR will produce reports, technical information and other compilations of data to AGENCY. These reports, technical information and compilations of data are derived by CONTRACTOR using methodologies, formulae, programs, techniques and other processes designed and developed by CONTRACTOR at a substantial expense. CONTRACTOR'S reports, technical information, compilations of data, methodologies, formulae, software, programs, techniques and other processes designed and developed by CONTRACTOR shall be referred to as Proprietary Information. CONTRACTOR'S Proprietary Information is not generally known by the entities with which CONTRACTOR competes.

CONTRACTOR desires to protect its Proprietary Information. Accordingly, AGENCY agrees that neither it nor any of its employees, agents, independent contractors or other persons or organizations over which it has control, will at any time during or after the term of this Agreement, directly or indirectly use any of CONTRACTOR'S Proprietary Information for any purpose not associated with CONTRACTOR'S activities. Further, AGENCY agrees that it nor any of its employees, agents, independent contractors or other persons or organizations over which it has control, will disseminate or disclose any of CONTRACTOR'S Proprietary Information to any person or organization not connected with CONTRACTOR, without the express written consent of CONTRACTOR. The AGENCY also agrees that consistent with its obligations under the California Public Records Act and related disclosure laws, it will undertake all necessary and appropriate steps to maintain the proprietary nature of CONTRACTOR'S Proprietary Information.

Any use of the Proprietary Information or any other reports, records, documents or other materials prepared by CONTRACTOR hereunder for other projects and/or use of

uncompleted documents without specific written authorization by the CONTRACTOR will be at the AGENCY's sole risk and without liability to CONTRACTOR, and the AGENCY shall indemnify the CONTRACTOR for all damages resulting therefrom.

9.4 Release of Documents Pursuant to Public Records Act

Notwithstanding any other provision in this Agreement, all obligations relating to disclosure of Proprietary Information remain subject to the Freedom of Information Act or California Public Records Act, Cal. Gov't Code §§ 6250 et seq. (collectively, the "PRA"). The Parties intend that if AGENCY is served with a request for disclosure under the PRA, or any similar statute, the AGENCY in good faith will make the determination as to whether the material is disclosable or exempt under the statute, and shall resist the disclosure of Proprietary Information which is exempt from disclosure to the extent allowable under the law. AGENCY shall advise CONTRACTOR in writing five (5) days prior to the intended disclosure of any decision to disclose Proprietary Information, and the reasons therefore, and if CONTRACTOR then timely advises AGENCY in writing that it objects to the disclosure, AGENCY shall not disclose the information. In such case, CONTRACTOR shall then be solely liable for defending the non-disclosure and shall indemnify and hold AGENCY harmless for such nondisclosure.

ENFORCEMENT OF AGREEMENT

9.5 California Law

This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and CONTRACTOR covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

9.6 Disputes

In the event of any dispute arising under this Agreement, the injured party shall notify the injuring party in writing of its contentions by submitting a claim therefor. The injured party shall continue performing its obligations hereunder so long as the injuring party commences to cure such default within ten (10) days of service of such notice and completes the cure of such default within forty-five (45) days after service of the notice, or such longer period as may be permitted by the injured party; provided that if the default is an immediate danger to the health, safety and general welfare, such immediate action may be necessary. Compliance with the provisions of this Section shall be a condition precedent to termination of this Agreement for cause and to any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit AGENCY's or the CONTRACTOR'S right to terminate this Agreement without cause pursuant to Section 11.6.

9.7 Waiver

No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

9.8 Rights and Remedies are Cumulative

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

9.9 Legal Action

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

9.10 Termination Prior to Expiration of Term

This Section shall govern any termination of this Agreement. The Parties reserve the right to terminate this Agreement at any time, with or without cause, upon forty-five (45) days' written notice to the non-terminating party, except that where termination is for cause, the Parties will comply with the dispute resolution process in Section 11.2. Upon issuance of any notice of termination, CONTRACTOR shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. The CONTRACTOR shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 11.2.

9.11 Attorneys' Fees

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party

in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

10.0 AGENCY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

10.1 Non-liability of AGENCY Officers and Employees

No officer or employee of the AGENCY shall be personally liable to the CONTRACTOR, or any successor in interest, in the event of any default or breach by the AGENCY or for any amount which may become due to the CONTRACTOR or to its successor, or for breach of any obligation of the terms of this Agreement.

10.2 Conflict of Interest

No officer or employee of the AGENCY shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The CONTRACTOR warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

10.3 Covenant Against Discrimination

CONTRACTOR covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. CONTRACTOR shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

11.0 MISCELLANEOUS PROVISIONS

11.1 Notice

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail addressed as follows:

AGENCY: CITY OF PALMDALE
Economic Development Department
38300 Sierra Highway
Palmdale, California 93550

CONTRACTOR: HdL COREN & CONE
120 S State College Boulevard, Suite 200
Brea, California 92821

Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

11.2 Interpretation

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

11.3 Integration; Amendment

It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

11.4 Severability

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

11.5 Corporate Authority

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

CITY OF PALMDALE:

_____
J.J. Murphy, ICMA-CM Date
Executive Director
Successor Agency to the Community
Redevelopment Agency of the City of Palmdale

HdL COREN & CONE:

_____
Nichole Cone-Morishita Date
Chief Financial Officer

_____
David Schey Date
Secretary

ADDRESS FOR NOTICE:
CITY OF PALMDALE
38300 Sierra Hwy, Suite A
Palmdale, CA 93550

ADDRESS FOR NOTICE:
HdL COREN & CONE
120 S. State College Blvd. Ste. 200
Brea, CA 92821

APPROVE AS TO FORM:

_____
Christopher L. Beck
City Attorney

ATTEST:

_____
Shanae S. Smith
City Clerk

EXHIBIT "A"

SCHEDULE OF PERFORMANCE

TIMELINE FOR DELIVERABLES

July/August	Data available for purchase from counties
September 30	Data available on HdLCC's web-based property tax application
September-October	Unsecured audits performed and forwarded to county assessor
October	Appeals quarterly updates emailed in counties where the data is available
October-February	Delivery of preliminary property tax reports
January	Appeals quarterly updates emailed in counties where the data is available
March/April	General Fund Budget Projections
April	Appeals quarterly updates emailed in counties where the data is available
April/May	Final Books – Addendums emailed to clients
July	Appeals quarterly updates emailed in counties where the data is available
Ongoing	Secured Audits – Successor Agency Revenue audits of Successor Agency receipts for correctness Property sales reports Successor Agency mid-year budget reviews and budget projections Analytical work at the request of clients

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

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

DISTRICT: **ALL**

SUBJECT: **APPROVE 32 FIREWORKS BOOTH PERMITS FOR NON-PROFIT ORGANIZATIONS**

ISSUE

Approve 32 fireworks booth permits for non-profit organizations.

RECOMMENDATION

Staff recommends that the City Council approve 32 firework booth permits for non-profit organizations.

BACKGROUND

Prior to each 4th of July, the City processes applications to permit the sale of Safe and Sane Fireworks. Pursuant to the provisions of Palmdale Municipal Code (PMC) Section 8.04.490, all proposed fireworks booths must be operated by non-profit organizations for fundraising purposes. In order to qualify, each organization must:

- Be a non-profit organization primarily for youth, veteran, patriotic, welfare, civic betterment, or charitable purposes;
- Have its principal meeting place in the City, or draw more than 50% 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 8.04.500.E, one booth for every 3,000 residents is allowed. Based upon the current population estimate of 156,737 obtained from the State of California Department of Finance, a maximum of 52 booths may be approved. As depicted within TABLE 1, 32 booths have been requested by qualifying non-profit organizations. As specified within PMC Section 17.27.030(B)(1)(a), firework booths 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

After review of 33 applications, it was determined that 32 met the criteria referenced above. The group whose application was denied, is currently not exempt as a non-profit organization pursuant to the Revenue and Taxation Code (R&TC) Section 23701.

The qualifying 32 organizations and booth locations associated are listed in alphabetical order below and on ATTACHMENT 1:

TABLE 1 – PROPOSED BOOTH LOCATIONS AND OPERATORS

	Organization	Booth Location
1.	Adorable Baby's Jump Start	1301 West Rancho Vista Boulevard (south of Rockin' Jump Trampoline in parking lot)
2.	American Indian Little League	39626 10th Street West (south of Applebee's)
3.	Antelope Valley Chambers of Commerce	40130 10th Street West (WalMart parking lot near Dragon Garden)
4.	Antelope Valley Desert Divers, Inc.	5038 West Avenue N
5.	Antelope Valley Youth Athletics, Inc.	1123 West Rancho Vista Boulevard (10th Street West entrance)
6.	Bet-El Casa De Dios	39700 30th Street West (Marie Kerr Park)
7.	Cornerstone Apostolic Church of Antelope Valley	3027 West Rancho Vista Boulevard (Vons parking lot)
8.	Crosswind Community Church	41337 10th Street West (church parking lot)
9.	DDE Academy, Inc.	37716 55th Street East (Domenic Massari Park)
10.	Great Commission Community	Dirt lot on the west of Sierra Highway, south of Rancho Vista Boulevard
11.	Highland High School Instrumental Music Booster Club	2535 East Avenue S (Stater Bros parking lot)
12.	Iglesia Emmanuel Antelope Valley	2419 East Avenue S (Food 4 Less parking lot)
13.	Kingdom Builders	856 West Palmdale Boulevard (southeast corner of Palmdale Boulevard and 10th Street West)
14.	Kiwanis Club of Palmdale	1803 East Palmdale Boulevard (Vallarta parking lot)
15.	Knight High School Wrestling Team Booster Club	5100 East Avenue S (Yellen Park parking lot)
16.	Littlerock High School Band Boosters	4644 East Avenue S (southwest corner of Avenue S and 47th Street East)
17.	Marine Corps League, Antelope Valley Detachment 930	37218 47th Street East (Stater Bros parking lot)

TABLE 1 – PROPOSED BOOTH LOCATIONS AND OPERATORS

	Organization	Booth Location
18.	Nueva Vida En Cristo Antelope Valley	2534 East Avenue S (Del Taco parking lot)
19.	Palmdale Elks Lodge #2027	Dirt lot west of Bank of America at 38203 47th Street East
20.	Palmdale Lions Club	2049 East Palmdale Boulevard
21.	Palmdale Repertory Theatre	37140 47th Street East (WalMart parking lot)
22.	Palmdale Vineyard	41520 10th Street West
23.	St. Mary's Catholic Church	4343 Pearblossom Highway (dirt lot west of 45th Street East)
24.	St. Stephen's of the Valley Lutheran Church	38727 Tierra Subida Avenue (Albertson's parking lot)
25.	The Highland Gridiron Booster Club	266 East Palmdale Boulevard
26.	The Palmdale Aerospace Academy	39940 10th Street West (Sam's Club parking lot, east of Panda Express)
27.	The Palmdale Aerospace Academy PTSO	3875 West Rancho Vista Boulevard (Neighborhood WalMart parking lot)
28.	True Memories Car Club Charities	440 East Palmdale Boulevard (parking lot between Vallarta and Chevron)
29.	US Naval Sea Cadets Corps	39180 10th Street West (parking lot near IHOP)
30.	Victory Outreach	37419 25th Street East
31.	Water of Life of Antelope Valley, Inc.	39522 10th Street West (parking lot between The Habit and Edible Arrangements)
32.	Word of Life Outreach Ministries, Inc.	5645 East Avenue T (dirt lot north of Avenue T)

FISCAL IMPACT

The fiscal impact to the City's General Fund will be $29,801 in revenue consisting of $928 for each 29 renewing organizations and $963 for each of the three new organizations. The fee includes $500 per organization for fireworks enforcement. Proceeds from fireworks sales will benefit charitable and non-profit organizations within the community.

STRATEGIC PLAN

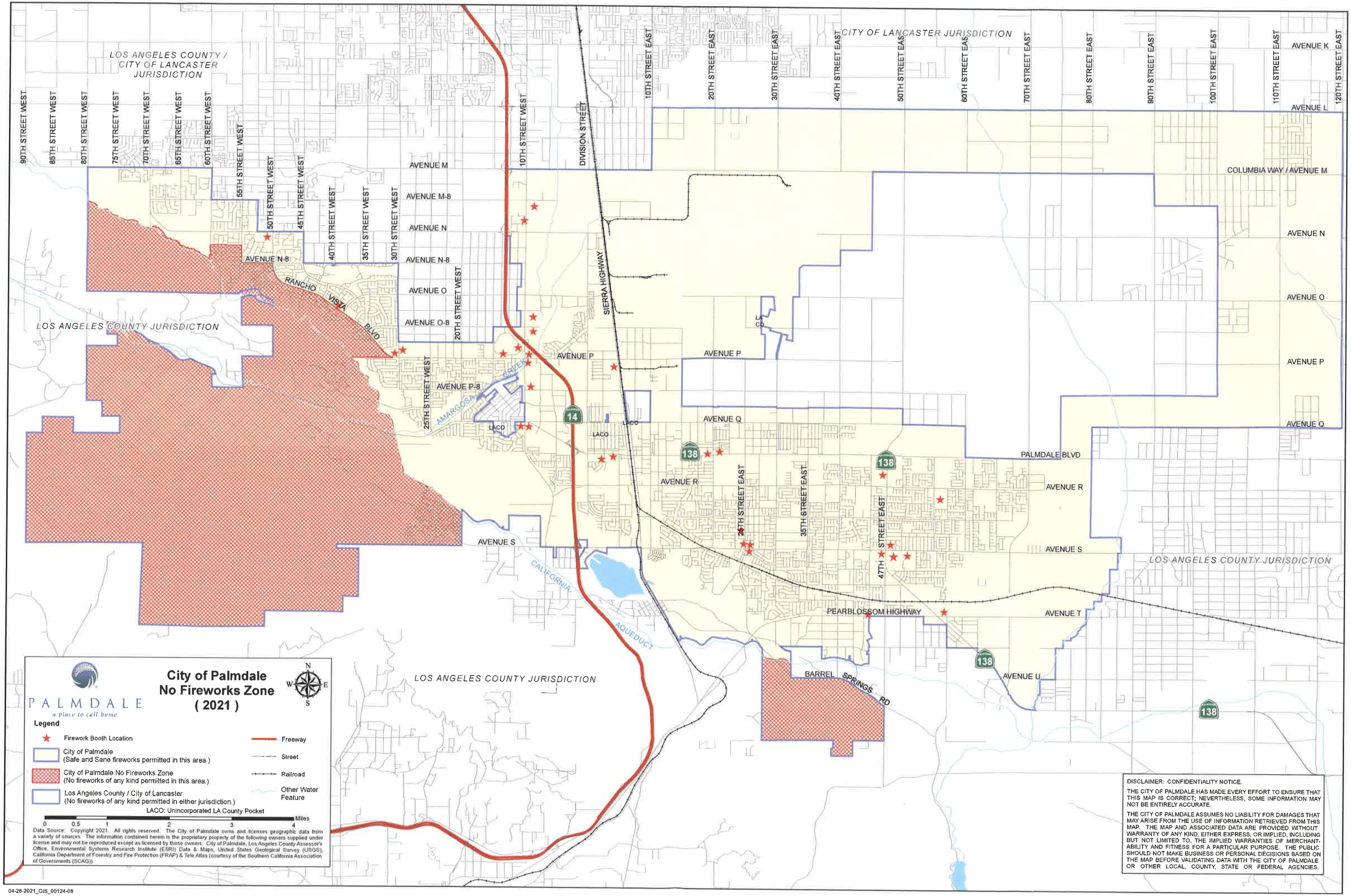
Goal IV: Maintain a desirable community where everyone wants to live, work and play.

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

Prepared by:	Carlene Saxton, Director of Economic and Community Development
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENT:

1. Firework Booth Location Map



City of Palmdale No Fireworks Zone (2021)

PALMDALE
a place to call home

N W E S

Legend

- Firework Booth Location
- City of Palmdale (Safe and Sane fireworks permitted in this area.)
- City of Palmdale No Fireworks Zone (No fireworks of any kind permitted in this area.)
- Los Angeles County / City of Lancaster (No fireworks of any kind permitted in either jurisdiction.)
- LACO: Unincorporated LA County Pocket
- Freeway
- Street
- Railroad
- Other Water Feature

0 0.5 1 2 3 4 Miles

Data Source: Copyright 2021. All rights reserved. The City of Palmdale owns and licenses geographic data from a variety of sources. The information contained herein is the proprietary property of the following owners supplied under license and may not be reproduced except as licensed by those owners: 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)).

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.

THE CITY OF PALMDALE ASSUMES NO LIABILITY FOR DAMAGES THAT MAY ARISE FROM THE USE OF INFORMATION RETRIEVED FROM THIS MAP. THE MAP AND ASSOCIATED DATA ARE PROVIDED WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS, OR IMPLIED, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANT-ABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE PUBLIC SHOULD NOT MAKE BUSINESS OR PERSONAL DECISIONS BASED ON THE MAP BEFORE VALIDATING DATA WITH THE CITY OF PALMDALE OR OTHER LOCAL, COUNTY, STATE OR FEDERAL AGENCIES.

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **NEIGHBORHOOD SERVICES DEPARTMENT**
PUBLIC SAFETY DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE COST-SHARING AGREEMENT WITH ANTELOPE VALLEY MALL, LLC/CBRE AND HARRIS AVM, LLC FOR LOS ANGELES COUNTY SHERIFFS DEPUTY PATROL SERVICES IN THE AMOUNT OF $36,000.**

ISSUE

Approve Agreement with Antelope Valley Mall, LLC/CBRE and Harris AVM, LLC. for Los Angeles County Sheriffs Deputy Patrol Services in the amount of $36,000.

RECOMMENDATION

Staff recommends that the City Council:

1. Approve agreement No. A-7422, Cost Sharing Agreement between the City of Palmdale and the Antelope Valley Mall, LLC/CBRE and Harris AVM, LLC for Deputy Services.
2. Authorize the City Manager or his designee to execute the agreement with Antelope Valley Mall, LLC/CBRE and Harris AVM, LLC., including minimal and/or non-substantive changes.

BACKGROUND

Since 1995, the City of Palmdale and the Antelope Valley Mall have participated in a cost-sharing agreement to share the cost of deputies deployed at the Mall. Deputies assigned under this agreement address Mall property related issues and relieve the Palmdale Station from deploying Patrol Deputies to the Mall for service calls. The City currently has one 40-hour non-relief deputy assigned to the Mall and surrounding retail establishments. The Mall agrees to reimburse the City $36,000 towards those costs for the term of this one (1) year agreement.

DISCUSSION

Due to the COVID-19 pandemic and the fiscal impact it has had on the Antelope Valley Mall, they are asking the contract amount to be held at $36,000 for this fiscal year.

Having a deputy assigned to the Antelope Valley Mall has proven to be a great resource for the mall, the City, and the Los Angeles County Sheriff's Department. Dedicated deputy personnel not only deter crime but also alleviates the need for routine patrol staff to respond, which would increase response times to the community for non-mall related crimes.

Staff recommends the City Council approve Agreement No. A-7422 Cost-Sharing Agreement between the City of Palmdale and the Antelope Valley Mall, LLC/CBRE and Harris AVM, LLC for Deputy Services and authorize the City Manager to execute the agreement and all necessary documents.

FISCAL IMPACT

The Antelope Valley Mall agrees to reimburse the City $36,000 for the term of the agreement for mall property related calls for service.

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:	Stacey Andrews, Neighborhood Services Specialist
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Agreement No. A-7422

AGREEMENT No. A-7422
COST SHARING AGREEMENT BETWEEN THE CITY OF PALMDALE AND THE ANTELOPE VALLEY MALL, LLC/CBRE AND HARRIS AVM, LLC., FOR DEPUTY SERVICES

This Cost-Sharing Agreement (hereinafter called "Agreement") is made and entered into this 1st day of July 2021, by and between the City of Palmdale, a Municipal Corporation (hereinafter called "City"), and the ANTELOPE VALLEY MALL, LLC/CBRE AND HARRIS AVM, LLC (hereinafter called "Mall").

RECITALS

WHEREAS, the City currently has a contract with the Los Angeles County Sheriff's Department to provide law enforcement services to the City; and

WHEREAS, the City and the Mall have mutually agreed to have a law enforcement presence at the Antelope Valley Mall for the benefit of the Mall merchants, customers, staff and City residents; and

WHEREAS, the City currently funds and staffs one 40-hour, non-relieved Deputy Sheriff position at the Mall; and

WHEREAS, the Mall has agreed to contribute a portion of the funds towards the cost of the 40-hour, non-relieved Deputy Sheriff, beginning July 1, 2021.

NOW, THEREFORE, the parties agree as follows:

1. Parties to the Agreement.

   The parties to this Agreement are:

   A. City: The City of Palmdale, a Municipal Corporation
   38300 N. Sierra Highway, Ste. A
   Palmdale, California, 93550

   B. Mall: Antelope Valley Mall, LLC/CBRE
   1233 West Avenue P, Suite 900
   Palmdale, California, 93551

2. Representatives of the Parties and Service of Notices.

   The representatives of the parties who are primarily responsible for the administration of this Agreement, and to whom formal notices, demands and communications shall be given, are as follows:

A. The principal representative of the City shall be:

City Manager
City of Palmdale
38300 N. Sierra Highway, Suite A
Palmdale, California 93550
(661) 267-5101

B. The principal representative of the Mall shall be:

Mr. Michael Scott Cummings
Property Manager
Antelope Valley Mall
1233 West Avenue P, Suite 900
Palmdale, California 93551
(661) 266-9422

Or any successor designated by the Mall pursuant to Section 2(D) below.

Copies of all notices shall also go to:

Antelope Valley Mall/QIC
Attn: Investment Management
10736 Jefferson Blvd., No. 512
Culver City, CA 90230

Via email: GRE-LegalUSA@qic.com

C. Formal notices, demands, and communications to be given hereunder by either party shall be made in writing and may be affected by certified mail or by nationally recognized overnight courier.

D. If the name of the principal representative designated to receive the notices, demands or communications, or the address of such person is changed, written notice shall be given within five (5) working days of said changes.

3. Description of Agreed Services.

A. Under the Law Enforcement Services Agreement (hereinafter called "LESA") with the Los Angeles County Sheriff's Department, the City will cause the placement of one 40-hour, non-relieved Deputy Sheriff at the Antelope Valley Mall. The Deputy Sheriff hours will be flexible so as to be on duty at the most appropriate hours and days, but generally will be Tuesday through Saturday from 2:00 p.m. to 10:00 p.m.

The Los Angeles County Sheriff's Department will set the deputy's hours after consultation with the Mall and the City.

B. The rendition of the Services performed by the Sheriff's Department, the standards of performance, the discipline of officers, and other matters incident to the performance of such services and the control of personnel so employed shall remain with the county of Los Angeles under the LESA with the City. In the event of a dispute between the parties to this Agreement as to the extent of the duties and functions to be rendered, or the minimum level or manner of performance of such service, the City shall be consulted and a mutual determination thereof shall be made by both the City and the Mall.

4. Contribution for Service.

A. The City will direct the Los Angeles County Sheriff's Department to place one 40-hour, non-relieved Deputy Sheriff in the Mall for a total of 40 hours per week, under its existing LESA. The City shall pay for the deputy sheriff to be placed under the terms and conditions of the current LESA.

B. During the one-year term of this agreement from July 1, 2020 through June 30, 2021 the Mall will reimburse the City $ 36,000 which represents a portion of the cost of the Deputy Sheriffs ("Mall Contribution").

C. All persons employed in the performance of such services and functions pursuant to this Agreement shall be County employees and no person employed hereunder shall have any City or Mall pension, civil service status, or any other status or right as to the Mall or City.

D. Neither the Mall nor the City shall be called upon to assume any liability for the direct payment of any Sheriff's Department salaries, wages, or other compensation to any County personnel performing service hereunder.

5. Reimbursement Procedures.

A. The City will invoice the Mall for $36,000 as reimbursement of a portion of the cost of the Deputy Sheriff.

B. Payments should be made payable to "The City of Palmdale" and sent to the City of Palmdale, Finance Department, 38300 Sierra Highway, Ste. D., Palmdale, CA 93550.

C. The City will Invoice the Mall with payment expected no later than February 28, 2021.

6. Terms of Agreement.

A. Unless sooner terminated as provided for herein, this Agreement shall be effective July 1, 2020 and shall remain in effect until June 30, 2021.

B. Notwithstanding the provisions of paragraph 6A above, either party may terminate this agreement as of the first day of any month upon notice in writing to the other party of not less than sixty (60) days prior thereto. If the City gives notice to terminate this agreement, the City will (i) reimburse the Mall for the prorated amount for any amounts paid in advance beyond the effective date of such termination and (ii) provide the Mall with information on how to directly contract with the Sheriff's Department to continue the services at the Mall's full expense.

7. Indemnification and Insurance.

A. The Mall, at its expense, shall provide and maintain in effect at all times during the terms of this Agreement the following coverage and limits of insurance naming the City as additional insured, and shall provide written notice to the other at least thirty (30) days prior to the expiration or other termination of the coverage. Such insurance coverage and limits shall consist of, but not be limited to, the following:

Commercial General Liability
-$1,000,000 limit on a per occurrence basis
-$2,000,000 general aggregate limit

B. The Mall agrees to indemnify, defend and hold harmless the City, and its respective officers, agents and employees, and the Los Angeles County Sheriff's Department from and against all claims, losses, obligations, or liabilities which arise out of, or are in any way related to, (i) the Mall's acts, errors or omissions, or those of its employees or agents under this agreement, except to the extent that any of the same arise from the negligent acts, errors or omissions of the City, or the Los Angeles County Sheriff's Office, or those of its employees or agents under this Agreement.

To the extent permitted by law, the City agrees to indemnify, defend and hold harmless the Mall, and its respective officers, agents and employees, from and against all claims, losses, obligations or liabilities which arise out of, or are in any way related to, (i) any breach of this Agreement by the City (ii) the City's acts, errors or omissions, or those of its employees or agents under this Agreement, except to the extent that any of the same arise from the negligent acts, errors or omissions of the Mall, or those of its employees or agents under this Agreement.

Any indemnity obligations under this Section 7 shall survive the expiration or termination of this Agreement.

8. General Provisions.

   A. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

   B. No modification, waiver, amendment, discharge or change to this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is or may be sought.

   C. If any term or provision of this Agreement of the application thereof shall to any extent be invalid or unenforceable, the remainder of the Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected hereby and each term and provision of this Agreement shall be valid and enforced to the extent permitted by law.

   D. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereto.

   E. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

   F. The City shall comply (and shall cause the Los Angeles Sheriff's Office to comply) with all applicable tax laws and, it will withhold (or cause to be withheld) all applicable federal employment taxes and assessments and pay said taxes and assessments as required by the Internal Revenue Code. Mall shall not be responsible for the payment or withholding of any taxes for the services performed or income generated by this Agreement. This Agreement shall not constitute, nor should it be construed as constituting a joint venture or principal/agency relationship between the City or the Los Angeles Sheriff's Office and the Mall. The City agrees that no representations shall be made (and shall cause the Los Angeles Sheriff's Office not to make any representations) that either of such parties an agent or employee of the Mall.

   G. Either party to this Agreement may, upon breach of any of the terms and provisions of this Agreement by the other party, send such other party written notice of such breach. In the event any breach is not cured within ten (10) days after receipt of such notice of breach, then the party causing such breach shall be deemed in default in its obligations under this Agreement, and the non-defaulting Party shall have such rights and remedies and shall be available to it at law or in equity; provided that in the event a default does not involve

emergency circumstances and cannot reasonably be cured within ten (10) days after written notice and the defaulting party is proceeding diligently to cure the default, the defaulting party shall have such additional time as may be reasonably necessary to cure said default.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested to by their proper officers hereunto duly authorized.

CITY:
CITY OF PALMDALE

J.J. Murphy, ICMA-CM Date
City Manager

ADDRESS FOR NOTICE:

CITY OF PALMDALE
38300 Sierra Hwy, Suite A
Palmdale, California 93550

APPROVE AS TO FORM:

Christopher L. Beck
City Attorney

ATTEST:

Shanae S. Smith
City Clerk

MALL
Antelope Valley Mall, LLC/
CBRE, Inc., its authorized agent

Michael S. Cummings, CSM, SLD Date
Property Manager

ADDRESS FOR NOTICE:

Antelope Valley Mall, LLC/CBRE
1233 West Avenue P, Suite 900
Palmdale, CA 93551

ATTEST: If Corporation

Secretary

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 4/13/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE OF A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Risk Services of the Northeast, Inc. Stamford CT Office 1600 Summer Street Stamford CT 06907-4907 USA	**CONTACT NAME:** **PHONE (A/C, NO, EXT):** (866) 283-7122 **PHONE (A/C, NO.):** (800) 363-0105 **E-MAIL ADDRESS:**
INSURED CBRE Group, Inc., and Subsidiaries 2100 McKinney Avenue, Suite 1250 Dallas, TX 75201	**INSURERS AFFORDING COVERAGE** / **NAIC #** INSURER A: Zurich American Insurance Company 16535 INSURER B: ACE Property & Casualty Insurance Co. 20699 INSURER C: American Zurich Insurance Company 40142 INSURER D: Factory Mutual Insurance Company 21482 INSURER E: INSURER F:

COVERAGES

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. **Limits shown are as requested**

INSR LTR	TYPE OF INSURANCE	ADD'L INSRD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YY)	POLICY EXP (MM/DD/YY)	LIMITS	
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS MADE ☒ OCCUR ☐ _____ ☐ _____ GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☒ LOC			GLO838419919	3/1/2021	3/1/2022	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$5,000,000 $50,000 $10,000 $5,000,000 $5,000,000 $5,000,000
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ☐ NON-OWNED AUTO ☐ _____ ☐ _____						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	
B	☒ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS MADE ☐ DEDUCTIBLE ☒ RETENTION $10,000			G27952501006	3/1/2021	3/1/2022	EACH OCCURRENCE AGGREGATE	$5,000,000 $5,000,000
A C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			WC914173615 WC838419522	3/1/2021	3/1/2022	☒ WC STATU-TORY LIMITS ☐ OTH-ER E.L. EACH ACCIDENT E.L. DISEASE-EA EMPLOYEE E.L. DISEASE-POLICY LIMIT	 $1,000,000 $1,000,000 $1,000,000
D	BUSINESS PERSONAL PROP & TENANT IMPROVEMENTS			1077900	3/1/2021	3/1/2022	All Risk Form, $10,000 Deductible, Replacement Cost	$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Certificate Holder is an Additional Insured on the Commercial General Liability policy when agreed to in a written agreement with the Insured.

CERTIFICATE HOLDER

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Aon Risk Services Northeast, Inc.

© 1988-2015 ACORD CORPORATION. All rights reserved.
The ACORD name and logo are registered marks of ACORD

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER'S OFFICE**
INFORMATION TECHNOLOGY DIVISION

DISTRICT: **All**

SUBJECT: **APPROVE AN AGREEMENT WITH INSIGHT PUBLIC SECTOR FOR THE RENEWAL OF MICROSOFT ENTERPRISE LICENSING FOR THREE YEARS IN THE TOTAL NOT TO EXCEED AMOUNT OF $217,525.**

ISSUE

Approve an Agreement with Insight Public Sector for the renewal of Microsoft Enterprise Licensing for three years in the total not to exceed amount of $217,525.

RECOMMENDATION

Staff recommends that the City Council:

1. Approve Agreement No. A-7503 with Insight Public Sector for the renewal of Microsoft Enterprise Licensing for three years in the total not to exceed amount of $217,525; and
2. Authorize the City Manager, or his designee, to execute the Agreement with Insight Public Sector, including making minor and non-substantive changes.

BACKGROUND

In June 2018, the City entered into a three-year agreement with Insight Public Sector to obtain services and Microsoft software, which is set to expire June 30, 2021. The agreement, as approved by City Council, had three annual payments of $124,840. The license and service agreement were also based on a Cooperative Purchasing Agreement negotiated by the County of Riverside and provided a substantial discount for the City to contract for its software licensing and service needs. It was beneficial in helping the City standardize its network/productivity software and allowed the City the rights to use the latest Microsoft products, provide maintenance benefits, cloud-based services, technical support, online training, and simplified license management to ensure the City is consistently in compliance with Microsoft licensing policies.

DISCUSSION

With the pending expiration of the existing agreement, the City needs to enter into a new Enterprise Agreement for continued licensing and support and, to ensure that it has access to the latest Microsoft technology. Over the last few years, the City has standardized operations with Microsoft software for its 500+ users, and 100+ servers. The City has experienced productivity gains with the updated software as it is more stable and easier to use.

The Enterprise Agreement is a three-year agreement for $72,515 per year, not to exceed $217,545, plus a 10% contingency of $7,251 per year for future Microsoft technology initiatives.

FISCAL IMPACT

The agreement will be for a period of 3 years for a total amount of $217,525. The first year's cost of $72,515 is budgeted in the FY 2021-22 Information Technology budget: Software Agmt/Sprt/Licns/Maint, Account # 15316001-721610.

STRATEGIC PLAN

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

A. Invest in staff and other human resource strategies to attract and retain a highly qualified, diverse, and creative workforce.

Prepared by:	Stuart Thompson, IT Manager
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

Agreement No. A-7503

Microsoft Volume Licensing

Program Signature Form

MBA/MBSA number	
Agreement number	8084445

Note: Enter the applicable active numbers associated with the documents below. Microsoft requires the associated active number be indicated here, or listed below as new.

For the purposes of this form, "Customer" can mean the signing entity, Enrolled Affiliate, Government Partner, Institution, or other party entering into a volume licensing program agreement.

This signature form and all contract documents identified in the table below are entered into between the Customer and the Microsoft Affiliate signing, as of the effective date identified below.

Contract Document	Number or Code
Enterprise Enrollment (Indirect)	X20-10635
Product Selection Form	1076809.003_PSF

By signing below, Customer and the Microsoft Affiliate agree that both parties (1) have received, read and understand the above contract documents, including any websites or documents incorporated by reference and any amendments and (2) agree to be bound by the terms of all such documents.

Customer
Name of Entity (must be legal entity name)* City of Palmdale
Signature* _____
Printed First and Last Name*
Printed Title
Signature Date*
Tax ID

** indicates required field*

Microsoft Affiliate
Microsoft Corporation
Signature _____
Printed First and Last Name
Printed Title
Signature Date (date Microsoft Affiliate countersigns)
Agreement Effective Date (may be different than Microsoft's signature date)

Optional 2nd Customer signature or Outsourcer signature (if applicable)

Customer
Name of Entity (must be legal entity name)*
Signature* _____
Printed First and Last Name*
Printed Title
Signature Date*

** indicates required field*

Outsourcer
Name of Entity (must be legal entity name)*
Signature* _____
Printed First and Last Name*
Printed Title
Signature Date*

** indicates required field*

If Customer requires additional contacts or is reporting multiple previous Enrollments, include the appropriate form(s) with this signature form.

After this signature form is signed by the Customer, send it and the Contract Documents to Customer's channel partner or Microsoft account manager, who must submit them to the following address. When the signature form is fully executed by Microsoft, Customer will receive a confirmation copy.

Microsoft Corporation
Dept. 551, Volume Licensing
6880 Sierra Center Parkway
Reno, Nevada 89511
USA

Microsoft Volume Licensing

Enterprise Enrollment State and Local

Enterprise Enrollment number *(Microsoft to complete)*	58239507
Previous Enrollment number *(Reseller to complete)*	91191640
Framework ID *(if applicable)*	

This Enrollment must be attached to a signature form to be valid.

This Microsoft Enterprise Enrollment is entered into between the entities as identified in the signature form as of the effective date. Enrolled Affiliate represents and warrants it is the same Customer, or an Affiliate of the Customer, that entered into the Enterprise Agreement identified on the program signature form.

This Enrollment consists of: (1) these terms and conditions, (2) the terms of the Enterprise Agreement identified on the signature form, (3) the Product Selection Form, (4) the Product Terms, (5) the Online Services Terms, (6) any Supplemental Contact Information Form, Previous Agreement/Enrollment form, and other forms that may be required, and (7) any order submitted under this Enrollment. This Enrollment may only be entered into under a 2011 or later Enterprise Agreement. By entering into this Enrollment, Enrolled Affiliate agrees to be bound by the terms and conditions of the Enterprise Agreement.

All terms used but not defined are located at http://www.microsoft.com/licensing/contracts. In the event of any conflict the terms of this Agreement control.

Effective date. If Enrolled Affiliate is renewing Software Assurance or Subscription Licenses from one or more previous Enrollments or agreements, then the effective date will be the day after the first prior Enrollment or agreement expires or terminates. If this Enrollment is renewed, the effective date of the renewal term will be the day after the Expiration Date of the initial term. Otherwise, the effective date will be the date this Enrollment is accepted by Microsoft. Any reference to "anniversary date" refers to the anniversary of the effective date of the applicable initial or renewal term for each year this Enrollment is in effect.

Term. The initial term of this Enrollment will expire on the last day of the month, 36 full calendar months from the effective date of the initial term. The renewal term will expire 36 full calendar months after the effective date of the renewal term.

Terms and Conditions

1. Definitions.

Terms used but not defined in this Enrollment will have the definition in the Enterprise Agreement. The following definitions are used in this Enrollment:

"Additional Product" means any Product identified as such in the Product Terms and chosen by Enrolled Affiliate under this Enrollment.

"Community" means the community consisting of one or more of the following: (1) a Government, (2) an Enrolled Affiliate using eligible Government Community Cloud Services to provide solutions to a Government or a qualified member of the Community, or (3) a Customer with Customer Data that is subject to Government regulations for which Customer determines and Microsoft agrees that the use of Government Community Cloud Services is appropriate to meet Customer's regulatory requirements.

Physically Submitted

Membership in the Community is ultimately at Microsoft's discretion, which may vary by Government Community Cloud Service.

"Enterprise Online Service" means any Online Service designated as an Enterprise Online Service in the Product Terms and chosen by Enrolled Affiliate under this Enrollment. Enterprise Online Services are treated as Online Services, except as noted.

"Enterprise Product" means any Desktop Platform Product that Microsoft designates as an Enterprise Product in the Product Terms and chosen by Enrolled Affiliate under this Enrollment. Enterprise Products must be licensed for all Qualified Devices and Qualified Users on an Enterprise-wide basis under this program.

"Expiration Date" means the date upon which the Enrollment expires.

"Federal Agency" means a bureau, office, agency, department or other entity of the United States Government.

"Government" means a Federal Agency, State/Local Entity, or Tribal Entity acting in its governmental capacity.

"Government Community Cloud Services" means Microsoft Online Services that are provisioned in Microsoft's multi-tenant data centers for exclusive use by or for the Community and offered in accordance with the National Institute of Standards and Technology (NIST) Special Publication 800-145. Microsoft Online Services that are Government Community Cloud Services are designated as such in the Use Rights and Product Terms.

"Industry Device" (also known as line of business device) means any device that: (1) is not useable in its deployed configuration as a general purpose personal computing device (such as a personal computer), a multi-function server, or a commercially viable substitute for one of these systems; and (2) only employs an industry or task-specific software program (e.g. a computer-aided design program used by an architect or a point of sale program) ("Industry Program"). The device may include features and functions derived from Microsoft software or third-party software. If the device performs desktop functions (such as email, word processing, spreadsheets, database, network or Internet browsing, or scheduling, or personal finance), then the desktop functions: (1) may only be used for the purpose of supporting the Industry Program functionality; and (2) must be technically integrated with the Industry Program or employ technically enforced policies or architecture to operate only when used with the Industry Program functionality.

"Managed Device" means any device on which any Affiliate in the Enterprise directly or indirectly controls one or more operating system environments. Examples of Managed Devices can be found in the Product Terms.

"Qualified Device" means any device that is used by or for the benefit of Enrolled Affiliate's Enterprise and is: (1) a personal desktop computer, portable computer, workstation, or similar device capable of running Windows Pro locally (in a physical or virtual operating system environment), or (2) a device used to access a virtual desktop infrastructure ("VDI"). Qualified Devices do not include any device that is: (1) designated as a server and not used as a personal computer, (2) an Industry Device, or (3) not a Managed Device. At its option, the Enrolled Affiliate may designate any device excluded above (e.g., Industry Device) that is used by or for the benefit of the Enrolled Affiliate's Enterprise as a Qualified Device for all or a subset of Enterprise Products or Online Services the Enrolled Affiliate has selected.

"Qualified User" means a person (e.g., employee, consultant, contingent staff) who: (1) is a user of a Qualified Device, or (2) accesses any server software requiring an Enterprise Product Client Access License or any Enterprise Online Service. It does not include a person who accesses server software or an Online Service solely under a License identified in the Qualified User exemptions in the Product Terms.

"Reseller" means an entity authorized by Microsoft to resell Licenses under this program and engaged by an Enrolled Affiliate to provide pre- and post-transaction assistance related to this agreement;

Physically Submitted

"Reserved License" means for an Online Service identified as eligible for true-ups in the Product Terms, the License reserved by Enrolled Affiliate prior to use and for which Microsoft will make the Online Service available for activation.

"State/Local Entity" means (1) any agency of a state or local government in the United States, or (2) any United States county, borough, commonwealth, city, municipality, town, township, special purpose district, or other similar type of governmental instrumentality established by the laws of Customer's state and located within Customer's state's jurisdiction and geographic boundaries.

"Tribal Entity" means a federally recognized tribal entity performing tribal governmental functions and eligible for funding and services from the U.S. Department of Interior by virtue of its status as an Indian tribe.

"Use Rights" means, with respect to any licensing program, the use rights or terms of service for each Product and version published for that licensing program at the Volume Licensing Site and updated from time to time. The Use Rights include the Product-Specific License Terms, the License Model terms, the Universal License Terms, the Data Protection Terms, and the Other Legal Terms. The Use Rights supersede the terms of any end user license agreement (on-screen or otherwise) that accompanies a Product.

"Volume Licensing Site" means http://www.microsoft.com/licensing/contracts or a successor site.

2. Order requirements.

a. Minimum order requirements. Enrolled Affiliate's Enterprise must have a minimum of 250 Qualified Users or Qualified Devices. The initial order must include at least 250 Licenses for Enterprise Products or Enterprise Online Services.

(i) Enterprise commitment. Enrolled Affiliate must order enough Licenses to cover all Qualified Users or Qualified Devices, depending on the License Type, with one or more Enterprise Products or a mix of Enterprise Products and the corresponding Enterprise Online Services (as long as all Qualified Devices not covered by a License are only used by users covered with a user License).

(ii) Enterprise Online Services only. If no Enterprise Product is ordered, then Enrolled Affiliate need only maintain at least 250 Subscription Licenses for Enterprise Online Services.

b. Additional Products. Upon satisfying the minimum order requirements above, Enrolled Affiliate may order Additional Products.

c. Use Rights for Enterprise Products. For Enterprise Products, if a new Product version has more restrictive use rights than the version that is current at the start of the applicable initial or renewal term of the Enrollment, those more restrictive use rights will not apply to Enrolled Affiliate's use of that Product during that term.

d. Country of usage. Enrolled Affiliate must specify the countries where Licenses will be used on its initial order and on any additional orders.

e. Resellers. Enrolled Affiliate must choose and maintain a Reseller authorized in the United States. Enrolled Affiliate will acquire its Licenses through its chosen Reseller. Orders must be submitted to the Reseller who will transmit the order to Microsoft. The Reseller and Enrolled Affiliate determine pricing and payment terms as between them, and Microsoft will invoice the Reseller based on those terms. Throughout this Agreement the term "price" refers to reference price. Resellers and other third parties do not have authority to bind or impose any obligation or liability on Microsoft.

f. Adding Products.

(i) Adding new Products not previously ordered. New Enterprise Products or Enterprise Online Services may be added at any time by contacting a Microsoft Account Manager or

Physically Submitted

Reseller. New Additional Products, other than Online Services, may be used if an order is placed in the month the Product is first used. For Additional Products that are Online Services, an initial order for the Online Service is required prior to use.

(ii) Adding Licenses for previously ordered Products. Additional Licenses for previously ordered Products other than Online Services may be added at any time but must be included in the next true-up order. Additional Licenses for Online Services must be ordered prior to use, unless the Online Services are (1) identified as eligible for true-up in the Product Terms or (2) included as part of other Licenses.

g. True-up requirements. Enrolled Affiliate must submit an annual true-up order that accounts for any changes since the initial order or last order. If there are no changes, then an update statement must be submitted instead of a true-up order.

(i) Enterprise Products. For Enterprise Products, Enrolled Affiliate must determine the number of Qualified Devices and Qualified Users (if ordering user-based Licenses) at the time the true-up order is placed and must order additional Licenses for all Qualified Devices and Qualified Users that are not already covered by existing Licenses, including any Enterprise Online Services.

(ii) Additional Products. For Additional Products that have been previously ordered under this Enrollment, Enrolled Affiliate must determine the maximum number of Additional Products used since the latter of the initial order, the last true-up order, or the prior anniversary date and submit a true-up order that accounts for any increase.

(iii) Online Services. For Online Services identified as eligible for true-up in the Product Terms, Enrolled Affiliate may place a reservation order for the additional Licenses prior to use and payment may be deferred until the next true-up order. Microsoft will provide a report of Reserved Licenses ordered but not yet invoiced to Enrolled Affiliate and its Reseller. Reserved Licenses will be invoiced retrospectively to the month in which they were ordered.

(iv) Subscription License reductions. Enrolled Affiliate may reduce the quantity of Subscription Licenses at the Enrollment anniversary date on a prospective basis if permitted in the Product Terms, as follows:

1) For Subscription Licenses that are part of an Enterprise-wide purchase, Licenses may be reduced if the total quantity of Licenses and Software Assurance for an applicable group meets or exceeds the quantity of Qualified Devices and Qualified Users (if ordering user-based Licenses) identified on the Product Selection Form, and includes any additional Qualified Devices and Qualified Users added in any prior true-up orders. Step-up Licenses do not count towards this total count.

2) For Enterprise Online Services that are not a part of an Enterprise-wide purchase, Licenses can be reduced as long as the initial order minimum requirements are maintained.

3) For Additional Products available as Subscription Licenses, Enrolled Affiliate may reduce the Licenses. If the License count is reduced to zero, then Enrolled Affiliate's use of the applicable Subscription License will be cancelled.

Invoices will be adjusted to reflect any reductions in Subscription Licenses at the true-up order Enrollment anniversary date and effective as of such date.

(v) Update statement. An update statement must be submitted instead of a true-up order if, since the initial order or last true-up order, Enrolled Affiliate's Enterprise: (1) has not changed the number of Qualified Devices and Qualified Users licensed with Enterprise Products or Enterprise Online Services; and (2) has not increased its usage of Additional Products. This update statement must be signed by Enrolled Affiliate's authorized representative.

Physically Submitted

(vi) **True-up order period.** The true-up order or update statement must be received by Microsoft between 60 and 30 days prior to each Enrollment anniversary date. The third-year true-up order or update statement is due within 30 days prior to the Expiration Date, and any license reservations within this 30 day period will not be accepted. Enrolled Affiliate may submit true-up orders more often to account for increases in Product usage, but an annual true-up order or update statement must still be submitted during the annual order period.

(vii) **Late true-up order.** If the true-up order or update statement is not received when due, Microsoft will invoice Reseller for all Reserved Licenses not previously invoiced and Subscription License reductions cannot be reported until the following Enrollment anniversary date (or at Enrollment renewal, as applicable).

h. **Step-up Licenses.** For Licenses eligible for a step-up under this Enrollment, Enrolled Affiliate may step-up to a higher edition or suite as follows:

(i) For step-up Licenses included on an initial order, Enrolled Affiliate may order according to the true-up process.

(ii) If step-up Licenses are not included on an initial order, Enrolled Affiliate may step-up initially by following the process described in the Section titled "Adding new Products not previously ordered," then for additional step-up Licenses, by following the true-up order process.

i. **Clerical errors.** Microsoft may correct clerical errors in this Enrollment, and any documents submitted with or under this Enrollment, by providing notice by email and a reasonable opportunity for Enrolled Affiliate to object to the correction. Clerical errors include minor mistakes, unintentional additions and omissions. This provision does not apply to material terms, such as the identity, quantity or price of a Product ordered.

j. **Verifying compliance.** Microsoft may, in its discretion and at its expense, verify compliance with this Enrollment as set forth in the Enterprise Agreement.

3. Pricing.

a. **Price Levels.** For both the initial and any renewal term Enrolled Affiliate's Price Level for all Products ordered under this Enrollment will be Level "D" throughout the term of the Enrollment.

b. **Setting Prices.** Enrolled Affiliate's prices for each Product or Service will be established by its Reseller. Except for Online Services designated in the Product Terms as being exempt from fixed pricing, As long as Enrolled Affiliate continues to qualify for the same price level, Microsoft's prices for Resellers for each Product or Service ordered will be fixed throughout the applicable initial or renewal Enrollment term. Microsoft's prices to Resellers are reestablished at the beginning of the renewal term.

4. Payment terms.

For the initial or renewal order, Microsoft will invoice Enrolled Affiliate's Reseller in three equal annual installments. The first installment will be invoiced upon Microsoft's acceptance of this Enrollment and remaining installments will be invoiced on each subsequent Enrollment anniversary date. Subsequent orders are invoiced upon acceptance of the order and Enrolled Affiliate may elect to pay annually or upfront for Online Services and upfront for all other Licenses.

Physically submitted

5. *End of Enrollment term and termination.*

a. General. At the Expiration Date, Enrolled Affiliate must immediately order and pay for Licenses for Products it has used but has not previously submitted an order, except as otherwise provided in this Enrollment.

b. Renewal option. At the Expiration Date of the initial term, Enrolled Affiliate can renew Products by renewing this Enrollment for one additional 36-month term or by signing a new Enrollment. Microsoft must receive a Renewal Form, Product Selection Form, and renewal order prior to or at the Expiration Date. Microsoft will not unreasonably reject any renewal. Microsoft may make changes to this program that will make it necessary for Customer and its Enrolled Affiliates to enter into new agreements and Enrollments at renewal.

c. If Enrolled Affiliate elects not to renew.

(i) Software Assurance. If Enrolled Affiliate elects not to renew Software Assurance for any Product under its Enrollment, then Enrolled Affiliate will not be permitted to order Software Assurance later without first acquiring a new License with Software Assurance.

(ii) Online Services eligible for an Extended Term. For Online Services identified as eligible for an Extended Term in the Product Terms, the following options are available at the end of the Enrollment initial or renewal term.

1) Extended Term. Licenses for Online Services will automatically expire in accordance with the terms of the Enrollment. An extended term feature that allows Online Services to continue month-to-month ("Extended Term") is available. During the Extended Term, Online Services will be invoiced monthly at the then-current published price as of the Expiration Date plus a 3% administrative fee for up to one year. If Enrolled Affiliate wants an Extended Term, Enrolled Affiliate must submit a request to Microsoft at least 30 days prior to the Expiration Date.

2) Cancellation during Extended Term. At any time during the first year of the Extended Term, Enrolled Affiliate may terminate the Extended Term by submitting a notice of cancellation to Microsoft for each Online Service. Thereafter, either party may terminate the Extended Term by providing the other with a notice of cancellation for each Online Service. Cancellation will be effective at the end of the month following 30 days after Microsoft has received or issued the notice.

(iii) Subscription Licenses and Online Services not eligible for an Extended Term. If Enrolled Affiliate elects not to renew, the Licenses will be cancelled and will terminate as of the Expiration Date. Any associated media must be uninstalled and destroyed and Enrolled Affiliate's Enterprise must discontinue use. Microsoft may request written certification to verify compliance.

d. Termination for cause. Any termination for cause of this Enrollment will be subject to the "Termination for cause" section of the Agreement. In addition, it shall be a breach of this Enrollment if Enrolled Affiliate or any Affiliate in the Enterprise that uses Government Community Cloud Services fails to meet and maintain the conditions of membership in the definition of Community.

e. Early termination. Any early termination of this Enrollment will be subject to the "Early Termination" Section of the Enterprise Agreement.

For Subscription Licenses, in the event of a breach by Microsoft, or if Microsoft terminates an Online Service for regulatory reasons, Microsoft will issue Reseller a credit for any amount paid in advance for the period after termination.

6. *Government Community Cloud.*

a. Community requirements. If Enrolled Affiliate purchases Government Community Cloud

Physically Submitted

Services, Enrolled Affiliate certifies that it is a member of the Community and agrees to use Government Community Cloud Services solely in its capacity as a member of the Community and, for eligible Government Community Cloud Services, for the benefit of end users that are members of the Community. Use of Government Community Cloud Services by an entity that is not a member of the Community or to provide services to non-Community members is strictly prohibited and could result in termination of Enrolled Affiliate's license(s) for Government Community Cloud Services without notice. Enrolled Affiliate acknowledges that only Community members may use Government Community Cloud Services.

b. All terms and conditions applicable to non-Government Community Cloud Services also apply to their corresponding Government Community Cloud Services, except as otherwise noted in the Use Rights, Product Terms, and this Enrollment.

c. Enrolled Affiliate may not deploy or use Government Community Cloud Services and corresponding non-Government Community Cloud Services in the same domain.

d. **Use Rights for Government Community Cloud Services.** For Government Community Cloud Services, notwithstanding anything to the contrary in the Use Rights:

(i) Government Community Cloud Services will be offered only within the United States.

(ii) Additional European Terms, as set forth in the Use Rights, will not apply.

(iii) References to geographic areas in the Use Rights with respect to the location of Customer Data at rest, as set forth in the Use Rights, refer only to the United States.

Physically Submitted

Enrollment Details

1. Enrolled Affiliate's Enterprise.

a. Identify which Agency Affiliates are included in the Enterprise. (Required) Enrolled Affiliate's Enterprise must consist of entire offices, bureaus, agencies, departments or other entities of Enrolled Affiliate, not partial offices, bureaus, agencies, or departments, or other partial entities. Check only one box in this section. If no boxes are checked, Microsoft will deem the Enterprise to include the Enrolled Affiliate only. If more than one box is checked, Microsoft will deem the Enterprise to include the largest number of Affiliates:

☐ Enrolled Affiliate only

☒ Enrolled Affiliate and all Affiliates

☐ Enrolled Affiliate and the following Affiliate(s) (Only identify specific affiliates to be included if fewer than all Affiliates are to be included in the Enterprise):

☐ Enrolled Affiliate and all Affiliates, with following Affiliate(s) excluded:

b. Please indicate whether the Enrolled Affiliate's Enterprise will include all new Affiliates acquired after the start of this Enrollment: Include future Affiliates

2. Contact information.

Each party will notify the other in writing if any of the information in the following contact information page(s) changes. The asterisks (*) indicate required fields. By providing contact information, Enrolled Affiliate consents to its use for purposes of administering this Enrollment by Microsoft, its Affiliates, and other parties that help administer this Enrollment. The personal information provided in connection with this Enrollment will be used and protected in accordance with the privacy statement available at https://www.microsoft.com/licensing/servicecenter.

a. **Primary contact.** This contact is the primary contact for the Enrollment from within Enrolled Affiliate's Enterprise. This contact is also an Online Administrator for the Volume Licensing Service Center and may grant online access to others. The primary contact will be the default contact for all purposes unless separate contacts are identified for specific purposes

Name of entity (must be legal entity name)* City of Palmdale
Contact name* First Stuart **Last** Thompson
Contact email address* sthompson@cityofpalmdale.org
Street address* 38300 Sierra Highway Suite D
City* Palmdale
State* CA
Postal code* 93550-4611-
(Please provide the zip + 4, e.g. xxxxx-xxxx)
Country* United States
Phone* 661.267.5566
Tax ID
** indicates required fields*

b. **Notices contact and Online Administrator.** This contact (1) receives the contractual notices, (2) is the Online Administrator for the Volume Licensing Service Center and may grant online access to others, and (3) is authorized to order Reserved Licenses for eligible

Physically Submitted

Online Servies, including adding or reassigning Licenses and stepping-up prior to a true-up order.

☐ Same as primary contact (default if no information is provided below, even if the box is not checked).

Contact name* First Matthew **Last** Kunze
Contact email address* Mkunze@cityofpalmdale.org
Street address* 38300 Sierra Highway Suite D
City* Palmdale
State* CA
Postal code* 93550-4611-
(Please provide the zip + 4, e.g. xxxxx-xxxx)
Country* United States
Phone* 661-267-5525
Language preference. Choose the language for notices. English
☐ This contact is a third party (not the Enrolled Affiliate). Warning: This contact receives personally identifiable information of the Customer and its Affiliates.
** indicates required fields*

c. Online Services Manager. This contact is authorized to manage the Online Services ordered under the Enrollment and (for applicable Online Services) to add or reassign Licenses and step-up prior to a true-up order.

Same as notices contact and Online Administrator (default if no information is provided below, even if box is not checked)

Contact name*: First Matthew **Last** Kunze
Contact email address* Mkunze@cityofpalmdale.org
Phone* 661-267-5525
☐ This contact is from a third party organization (not the entity). Warning: This contact receives personally identifiable information of the entity.
** indicates required fields*

d. Reseller information. Reseller contact for this Enrollment is:

Reseller company name* Insight Direct USA, Inc.
Street address (PO boxes will not be accepted)* 6820 South Harl Avenue
City* Tempe
State* AZ
Postal code* 85283
Country* United States
Contact name* Software *Contract Support
Phone* 800-624-0503
Contact email address* contractsupport@insight.com
** indicates required fields*

By signing below, the Reseller identified above confirms that all information provided in this Enrollment is correct.

Signature* _____

Printed name*
Printed title*
Date*

** indicates required fields*

Physically Submitted

Changing a Reseller. If Microsoft or the Reseller chooses to discontinue doing business with each other, Enrolled Affiliate must choose a replacement Reseller. If Enrolled Affiliate or the Reseller intends to terminate their relationship, the initiating party must notify Microsoft and the other party using a form provided by Microsoft at least 90 days prior to the date on which the change is to take effect.

e. If Enrolled Affiliate requires a separate contact for any of the following, attach the Supplemental Contact Information form. *Otherwise, the notices contact and Online Administrator remains the default.*

(i) Additional notices contact
(ii) Software Assurance manager
(iii) Subscriptions manager
(iv) Customer Support Manager (CSM) contact

3. Financing elections.

Is a purchase under this Enrollment being financed through MS Financing? ☐ Yes, ☒ No.

If a purchase under this Enrollment is financed through MS Financing, and Enrolled Affiliate chooses not to finance any associated taxes, it must pay these taxes directly to Microsoft.

Physically Submitted

Enterprise Enrollment Product Selection Form

Microsoft | Volume Licensing

Proposal ID

1076809.003

Enrollment Number

Language: English (United States)

Enrolled Affiliate's Enterprise Products and Enterprise Online Services summary for the initial order:

Profile	Qualified Devices	Qualified Users	Device / User Ratio	Enterprise Product Platform	CAL Licensing Model
Enterprise	500	500	1.0	No	User Licenses

Products	Enterprise Quantity
Client Access License (CAL)	
Core CAL	
Core CAL	500
Windows Desktop	
Windows Enterprise OS Upgrade	500

Enrolled Affiliate's Product Quantities:

Price Group	1	2	3	4
Enterprise Products	Office Professional Plus + Office 365 ProPlus + Office 365 (Plans E3 and E5) + Microsoft 365 Enterprise	Client Access License + Office 365 (Plans E1, E3 and E5) + Microsoft 365 Enterprise	Client Access License + Windows Intune + EMS USL + Microsoft 365 Enterprise	Win E3 + Win E5 + Win VDA + Microsoft 365 Enterprise
Quantity	0	500	500	500

Enrolled Affiliate's Price Level:

Product Offering / Pool	**Price Level**
Enterprise Products and Enterprise Online Services USLs: Unless otherwise indicated in associated contract documents, Price level set using the highest quantity from Groups 1 through 4.	D
Additional Product Application Pool: Unless otherwise indicated in associated contract documents, Price level set using quantity from Group 1.	D
Additional Product Server Pool: Unless otherwise indicated in associated contract documents, Price level set using the highest quantity from Group 2 or 3.	D
Additional Product Systems Pool: Unless otherwise indicated in associated contract documents, Price level set using quantity from Group 4.	D

NOTES

Unless otherwise indicated in the associated contract documents, the price level for each Product offering / pool is set as described above, based upon the quantity to price level mapping below:

Quantity of Licenses and Software Assurance	Price Level
2,399 and below	A
2,400 to 5,999	B
6,000 to 14,999	C
15,000 and above	D

Note 1: Enterprise Online Services may not be available in all locations. Please see the Product List for a list of locations where these may be purchased.

Note 2: Unless otherwise indicated in associated Agreement documents, the CAL selection must be the same across the Enterprise for each Profile.

Note 3: Enrolled Affiliate acknowledges that in order to use a third party to reimage the Windows Operating System Upgrade,Enrolled Affiliate must certify that it has acquired qualifying operating system licenses. The requirement applies to Windows Enterprise OS Upgrade.See Product Terms for details.

Note 4: If Enrolled Affiliate does not order an Enterprise Product or Enterprise Online Service associated with an applicable Product pool, the price level for Additional Products in the same pool will be price level “A” throughout the term of the Enrollment. Refer to the Qualifying Government Entity Addendum pricing provision for more details on price leveling.

Microsoft Volume Licensing

Previous Enrollment(s)/Agreement(s) Form

Entity Name: City of Palmdale
Contract that this form is attached to: State Local Government

For the purposes of this form, "entity" can mean the signing entity, Customer, Enrolled Affiliate, Government Partner, Institution, or other party entering into a volume licensing program agreement.

Please provide a description of the previous Enrollment(s), Agreement(s), Purchasing Account(s), and/or Affiliate Registration(s) being renewed or consolidated into the new contract identified above.

a. Entity may select below any previous contract(s) from which to transfer MSDN subscribers to this new contract. Entity shall ensure that each MSDN subscriber transferred is either properly licensed under the new contract or is removed.

b. Entity may select below only one previous contract from which to transfer the Software Assurance (SA) Benefit contact details, i.e., benefits contact (*not* the SA manager) and the program codes, to this new contract.

c. An Open License cannot be used to transfer either the SA Benefit details or MSDN subscribers.

d. The date of the earliest expiring Enrollment/Agreement that contains SA or Online Services will be the effective date of the new contract (or SA coverage period for Select Plus).

e. Please insert the number of the earliest expiring Enrollment/Agreement with SA or Online Services in the appropriate fields of the new contract.

Enrollment/Agreement/ Purchasing Account/Affiliate Registration Description	Enrollment/Agreement/ Purchasing Account/Affiliate Registration Public Customer Number	Transfer SA Benefit Contact	Transfer MSDN Subscribers
Standard Enrollment	91191640		

Insight PUBLIC SECTOR

City of Palmdale

PRELIMINARY

Quotation: 0421-City of Palmdale1-MSEA-BWP
Date: April 28, 2021
Enrollment: 91191640 Prelim Renewal
Contract: PSA-0001526/RIVCO-2020-RFQ-0000048

Part Number	Item Name	Level	Purchase Period	Pool	Product Type	Quantity	Unit Price	Extended Price
Enterprise Products								
W06-00446	CoreCAL ALNG SA MVL UsrCAL	D	Added at Signing	Servers	Software Assurance	500	$ 47.27	$ 23,635.00
KV3-00368	WINENTperDVC ALNG SA MVL	D	Added at Signing	Systems	Software Assurance	500	$ 44.13	$ 22,065.00
Additional Products								
9EA-00278	WinSvrDCCore ALNG SA MVL 2Lic CoreLic	D	Added at Signing	Servers	Software Assurance	200	$ 125.25	$ 25,050.00
9EM-00270	WinSvrSTDCore ALNG SA MVL 2Lic CoreLic	D	Added at Signing	Servers	Software Assurance	100	$ 17.65	$ 1,765.00

Annual Total: $ 72,515.00

Three Year Total: $ 217,545.00

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS**

DISTRICT: **1 and 2**

SUBJECT: **ADOPT RESOLUTION NO. CC 2021-035, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE OF INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2021/2022, PRELIMINARILY APPROVING THE ANNUAL ENGINEER'S REPORT AND PROVIDING FOR NOTICE OF HEARING FOR THE CITY OF PALMDALE DRAINAGE BENEFIT ASSESSMENT DISTRICTS NO. 1 AND NO. 2006-02**

ISSUE

Adopt Resolution No. CC 2021-035 providing intention to continue assessments, to preliminarily approve the annual Engineer's Report, and to provide notice of the annual public hearing for the City of Palmdale Drainage Benefit Assessment Districts No. 1 and No. 2006-02.

RECOMMENDATION

Staff recommends that the City Council adopt Resolution No. CC 2021-035 providing intention to continue assessments, to preliminarily approve the annual Engineer's Report, and to provide notice of the annual public hearing for the City of Palmdale Drainage Benefit Assessment Districts No. 1 and No. 2006-02.

BACKGROUND

The Anaverde (Drainage Benefit Assessment District No. 1, formed in 2004), and Ritter Ranch (Drainage Benefit Assessment District No. 2006-02, formed in 2007) 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 Drainage Benefit Assessment Districts No. 1, and No. 2006-02 were approved by the property owners on May 12, 2004 and January 3, 2007, respectively, pursuant to mailed ballot elections conducted in accordance with Article XIIID of the California Constitution.

The purpose of the Drainage Benefit Assessment Districts 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 May 6, 2021, the City Council took the first step to continue assessing the levies for Fiscal Year 2021/2022 by adopting Resolution No. CC 2021-025, which directed NBS, the assessment engineer, to prepare the annual Engineer's Report for the City of Palmdale Drainage Benefit Assessment Districts No. 1 and No. 2006-02 for Fiscal Year 2021/2022.

This Resolution No. CC 2021-035 is the second step which provides intention to continue the assessments for Fiscal Year 2021/2022, preliminarily approves the Engineer's Report 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 LA County tax rolls.

The third and final step will be the public hearing regarding the final approval of the Engineer's Report and the ordering of the levies for Fiscal Year 2021/2022 that will be held by the City Council on July 13, 2021.

The 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 the Drainage Benefit Assessment Districts No. 1 and No. 2006-02, identifying the methodology for assigning assessments to each parcel, and estimating the cost for improvements. The Engineer's Report establishes the important foundation and justification for the continued collection of the assessments for Fiscal Year 2021/2022.

FISCAL IMPACT

The Engineer's Report indicates the proposed assessments for the City of Palmdale Drainage Benefit Assessment Districts No. 1 and No. 2006-02. For fiscal year 2021/2022, the amount of the assessments for the Assessment Districts is increased by 0.97%, based on the increase of the February 2020 to February 2021 CPI of 0.97%. The proposed total assessment for both Districts for fiscal year 2021/2022 is $129,517.53.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community viability.

A. Seek innovative, cost effective, customer focused methods of service delivery.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan P. E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Resolution No. CC 2021-035
2. Fiscal Year 2021/22 Engineer's Report For: Drainage Benefit Assessment Districts

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2021-035

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE OF INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2021/2022, PRELIMINARILY APPROVING THE ANNUAL ENGINEER'S REPORT AND PROVIDING FOR NOTICE OF HEARING FOR THE CITY OF PALMDALE 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 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 2021/2022.

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 2021/2022.

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 briefly 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 the maintenance or servicing thereof.

SECTION 5. The general location and boundaries of the 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 Districts is 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 2020 to February 2021 was 0.97%, therefore, the maximum authorized assessment rates for Fiscal Year 2021/2022 are the previous year maximum authorized assessment rate for each District increased by 0.97%. The amount of the assessments proposed does not exceed the authorized amount.

SECTION 8. A public hearing regarding the proposed assessments shall be held by the City Council on July 13, 2021 at 7:00 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 prior to the date of the hearing above specified, in a newspaper circulated in the Districts.

SECTION 10. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this 1st day of June, 2021.

Approved as to form:

_____
Christopher L. Beck
City Attorney

_____
Steven D. Hofbauer, Mayor

ATTEST:

_____
Shanae S. Smith, City Clerk

I, Shanae S. Smith, 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 1st day of June, 2021 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____ _____
Shanae S. Smith, City Clerk

CITY OF PALMDALE

Fiscal Year 2021/22 Engineer's Report For:

Drainage Benefit Assessment Districts

May 2021

Prepared by:

NBS
helping communities fund tomorrow
nbsgov.com

Corporate Headquarters
32605 Temecula Parkway, Suite 100
Temecula, CA 92592
Toll free: 800.676.7516

TABLE OF CONTENTS

1. Engineer's Letter 1

2. Introduction 2

2.1 Background 2

2.2 Process for Annual Assessment 2

2.3 Legislative Context 3

3. Plans and Specifications 6

4. Estimate of Costs 7

5. Method of Apportionment 9

5.1 Special Benefit 9

5.2 General Versus Special Benefit 10

5.3 Quantification General Benefit 10

5.4 Method of Assessment 11

5.5 Cost of Living Inflator 12

5.6 Fiscal Year 2021/22 Maximum Assessment 13

5.7 Duration of Assessment 13

5.8 Appeals and Public Hearing 13

6. Assessment Diagram 14

7. Assessment Roll 15

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 (the "Act"), 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 2021/22, 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 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 2021/22, 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 2021/22 Assessment Amount	Proposed Assessment Rate per EDU	Maximum Assessment Rate Per EDU
DBAD No. 1	1,417	1,417.00	$64,997.79	$45.87	$45.87
DBAD No. 2006-02	44	6,841.99	64,519.74	9.43	48.56
Totals:	**1,461**	**8,258.99**	**$129,517.53**		

(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

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 and approximately 1,470 parcels. 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, and Article XIII D of the California Constitution (the "Article XIII D").

Drainage Benefit Assessment District No. 1 ("DBAD No. 1") (Anaverde Master Planned Community Avenue S at Approximately 20th Street West) 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) (Ritter Ranch Master Planned Community, Phase I through phase V, South of Elizabeth Lake Road at Approximately 40th Street West) 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[1]:

- 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.

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

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*)[2] 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*)[3] 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*)[4] 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)*[5], 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*."

---

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

[7] *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

The Fiscal Year 2021/22 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 2021/22 Costs**
Direct Maintenance Costs	$47,448.38
Other Costs	17,549.41
Estimated Expenditures	$64,997.79
Fiscal Year 2021/22 Net Amount to be Assessed	**$64,997.79**
Total Equivalent Dwelling Units (EDUs)	1,417.00
Total Parcels	1,417
Total Cost Per EDU	$45.87
Maximum Rate per EDU	$45.87

Drainage Benefit Assessment District No. 2006-02 Budget	
Description	**Proposed FY 2021/22 Costs**
Direct Maintenance Costs	$47,099.41
Other Costs	17,420.33
Estimated Expenditures	$64,519.74
Fiscal Year 2021/22 Net Amount to be Assessed	**$64,519.74**
Total Equivalent Dwelling Units (EDUs)	6,841.99
Total Parcels	44
Total Cost Per EDU	$9.43
Maximum Rate per EDU	$48.56

The following cost descriptions apply to the budget[8]:

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.

[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.*

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[9] has been referenced to describe the Method of Apportionment within the following section of this report.***[10]

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.*

[9] *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").*

[10] *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. [11]

The annual calendar year percentage change in the CPI applicable to the Fiscal Year 2021/22 assessment is 0.97%, based on the increase of the February 2020 to February 2021 CPI of 0.97%.

5.6 Fiscal Year 2021/22 Maximum Assessment

The maximum authorized assessment rate for Fiscal Year 2021/22 is increased by 0.97% which equates to $45.87 per EDU for DBAD No. 1 and $48.56 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 2021/22 at the rate of $45.87 per EDU for DBAD No. 1, which is equal to the maximum authorized assessment rate, and $9.43 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.

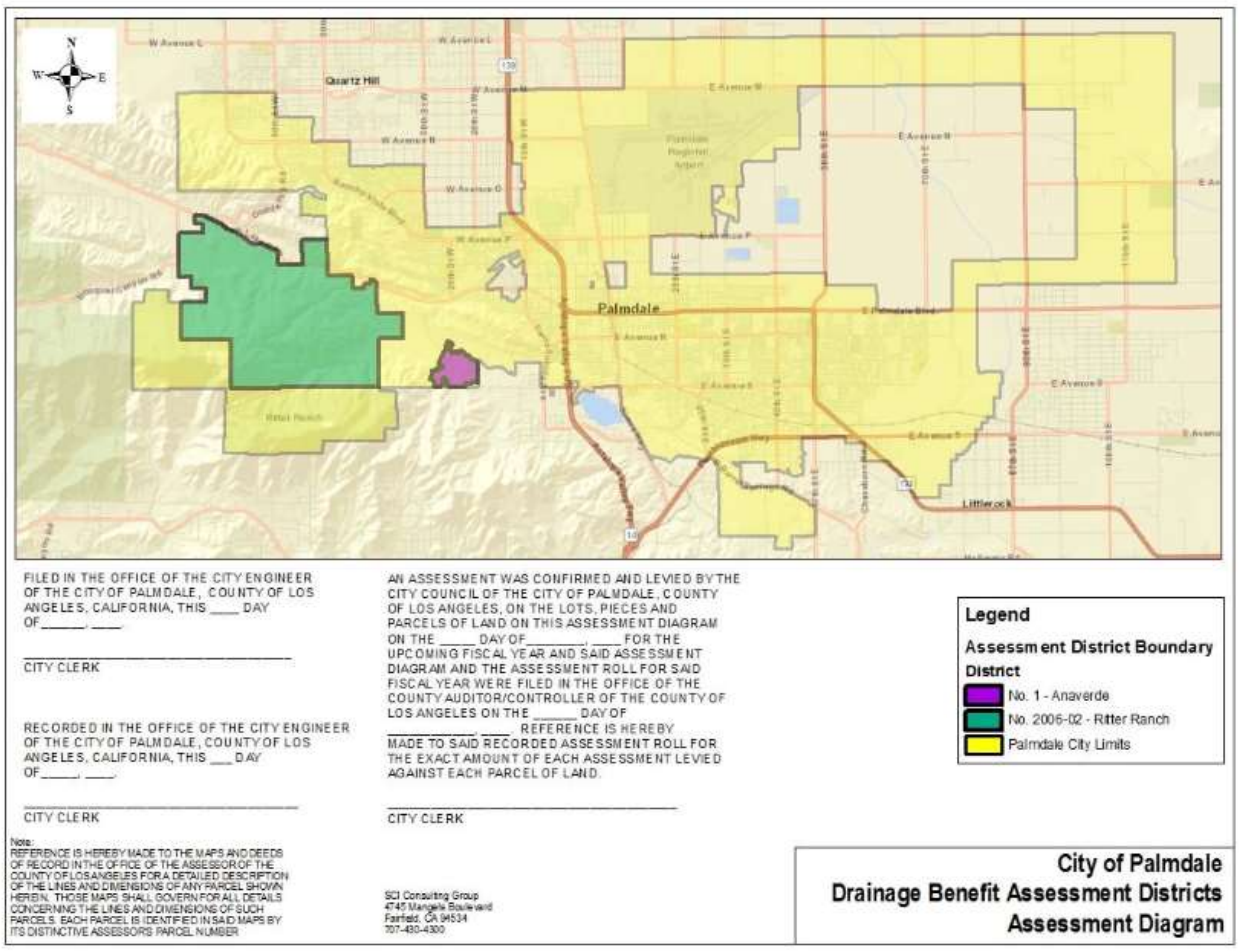
5.8 Appeals and Public Hearing

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.

[11] *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

The Assessment Roll is a listing of the Districts assessment apportioned to each lot or parcel, as shown on the last equalized roll of the County Assessor. The Assessment Roll for Fiscal Year 2021/22 is on file with the City Engineer and is incorporated by reference herein and made part of this Engineer's Report.

The following table summarizes the Fiscal Year 2021/22 assessments for the Districts.

District	Parcels	EDUs per District	FY 2021/22 Maximum Assessment Rate Per EDU	FY 2021/22 Assessment Rate Per EDU	FY 2021/22 Assessment Amount
DBAD No. 1	1,417	1,417.00	$45.87	$45.87	$64,997.79
DBAD No. 2006-02	44	6,841.99	48.56	9.43	64,519.74
Totals:	**1,461**	**8,258.99**			**$129,517.53**

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS**

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2021-037, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE OF INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2021/2022, PRELIMINARILY APPROVING THE COMBINED ANNUAL ENGINEER'S REPORT AND PROVIDING FOR NOTICE OF HEARING FOR THE CITY OF PALMDALE LANDSCAPE MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS**

ISSUE

Adopt Resolution No. CC 2021-037 providing intention to continue assessments, to preliminarily approve the combined annual Engineer's Report, and to provide notice of the annual public hearing for the City of Palmdale Landscape Maintenance Assessment Districts and Annexations.

RECOMMENDATION

Staff recommends that the City Council adopt Resolution No. CC 2021-037 providing intention to continue assessments, to preliminarily approve the combined annual Engineer's Report, and to provide notice of the annual public hearing for the City of Palmdale Landscape Maintenance Assessment Districts and Annexations.

BACKGROUND

The City of Palmdale Landscape Maintenance Assessment Districts and Annexations were approved by property owners pursuant to several 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.

Currently there are 248 existing Assessment Districts, encompassing approximately 29,000 parcels and over 217 acres of landscaping located throughout the City. Most of

the Districts and Annexations are comprised of residential parcels, both single-family and multi-family, with the exception of a few commercial developments.

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

DISCUSSION

On May 6, 2021, the City Council took the first step to continue assessing the levies for Fiscal Year 2021/2022 by adopting Resolution No. CC 2021-026, which directed NBS, the assessment engineer, to prepare the combined annual Engineer's Report for the City of Palmdale Landscape Maintenance Assessment Districts and Annexations for Fiscal Year 2021/2022.

This Resolution No. CC 2021-037 is the second step which provides intention to continue the assessments for Fiscal Year 2021/2022, preliminarily approves the combined annual Engineer's Report 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 LA County tax rolls.

The third and final step will be the public hearing regarding the final approval of the combined annual Engineer's Report and the ordering of the levies for Fiscal Year 2021/2022 that will be held by the City Council on July 13, 2021.

The combined annual Engineer's Report contains 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 the Landscape Maintenance Assessment Districts and Annexations, identifying the methodology for assigning assessments to each parcel, and estimating the cost for improvements. The combined annual Engineer's Report establishes the important foundation and justification for the continued collection of the assessments for Fiscal Year 2021/2022.

FISCAL IMPACT

The Engineer's Report indicates the proposed assessments for the City of Palmdale Landscape Maintenance Assessment Districts and Annexations. For fiscal year 2021/2022, the amount of the assessments for the Assessment Districts is increased by 0.97%, based on the increase of the February 2020 to February 2021 CPI of 0.97%. The proposed total assessment for all Districts and Annexations for fiscal year 2020/2021 is $6,156,996.66.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community viability.

A. Seek innovative, cost effective, customer focused methods of service delivery.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan P. E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Resolution No. CC 2021-037
2. Fiscal Year 2021/22 Combined Engineer's Report For: Landscape Maintenance Assessment Districts and Annexations

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2021-037

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE OF INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2021/2022, PRELIMINARILY APPROVING THE COMBINED ANNUAL ENGINEER'S REPORT AND PROVIDING FOR NOTICE OF HEARING FOR THE CITY OF PALMDALE LANDSCAPE MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS

WHEREAS, the City of Palmdale Landscape Maintenance Assessment Districts and Annexations (the "Districts") were approved by property owners pursuant to several 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 an Engineer's Report in accordance with the 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 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 2021/2022.

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 2021/2022.

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 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.

SECTION 5. The general location and boundaries of the existing Districts are shown on maps on file in the office of the City Clerk, are incorporated herein by reference, and are open to public inspection. The designation of the City of Palmdale Landscape Maintenance 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, and 214;

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

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

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

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

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

District Nos. 2004-180, 221, 241, 247, 248, 257, 261, 262, 264, 265, 266, 267, 268, 271, 272, 274, 276, 277, and 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, and 299;

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

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

District Nos. 2014-321 and 322.

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 2020 to February 2021 was 0.97%, therefore, the maximum authorized assessment rates for Fiscal Year 2021/2022 are the previous year maximum authorized assessment rate for each District increased by 0.97%. The amount of the assessment proposed 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 13, 2021 at 7:00 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. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this 1st day of June, 2021.

Approved as to form:

_____
Christopher L. Beck
City Attorney

_____
Steven D. Hofbauer, Mayor

ATTEST:

_____
Shanae S. Smith, City Clerk

I, Shanae S. Smith, 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 1st day of June, 2021 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____ _____
Shanae S. Smith, City Clerk

CITY OF PALMDALE

Fiscal Year 2021/22 Combined Engineer's Report For:

Landscape Maintenance Assessment Districts and Annexations

May 2021

Prepared by:

NBS
helping communities fund tomorrow
nbsgov.com

Corporate Headquarters
32605 Temecula Parkway, Suite 100
Temecula, CA 92592
Toll free: 800.676.7516

TABLE OF CONTENTS

1. Engineer's Letter 1

2. Introduction 2

2.1 Background 2

2.2 Assessment District Inventory 2

2.3 District Changes 3

2.4 Process for Annual Assessment 5

2.5 Legislative Context 6

3. Plans and Specifications 8

4. Estimate of Costs 9

5. Method of Apportionment 11

5.1 Special Benefit 11

5.2 Quantification of General Benefit 12

5.3 Method of Assessment 14

5.4 Cost of Living Inflator 14

5.5 Fiscal Year 2021/22 Maximum Assessment Rates 15

5.6 Duration of Assessment 15

5.7 Appeals and Interpretation 15

6. Assessment Diagram 16

7. Landscape Maintenance Districts Area Maintained 17

8. Assessment Roll 22

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 2021/22, in accordance with Article 4 of Chapter 1 of the Act and Article XIII D of the California Constitution. The report presents the plans 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 2021/22, 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	Proposed FY 2021/22 Assessment Amount
Landscape Maintenance Assessment Districts and Annexations(2)	28,458	26,961.97	$6,156,997

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

(2) A list of the Assessment Districts and annexations containing the total proposed Fiscal Year 2021/22 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

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 248 Landscape Maintenance Assessment Districts and Annexations with over 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 248 existing Assessment Districts covering approximately 29,000 parcels. The City currently maintains landscape for only 230 Assessment Districts, encompassing about 26,800 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.[1]

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 248 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 248 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.

This Engineer's Report covers the 248 existing Assessment Districts. New or pending Assessment Districts that will be approved after May 2021 will be presented to the City Council under separate reports.

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,

[1] *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; and

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

2.3 District Changes

The following information highlights certain Assessment Districts that have had modifications from their original formation or require individual budgetary attention.[2]

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

The budget for Assessment District No. 1999-234 is included within the budget for Assessment District No. 1998-103 and is not listed as a separate budget.

Beginning with Fiscal Year 2001/02, the landscaping within Assessment District No. 140, located on the southeast corner of 60th Street West and Avenue N-4, is maintained by Assessment District No. 140's homeowner's association (HOA). For Fiscal Year 2001/02, Assessment District No. 140's assessment was lowered to $40 per parcel. Therefore, Assessment District No. 140's annual assessments only include administrative costs to provide compliance monitoring for maintenance standards and quality.

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.

[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.*

The following Assessment Districts are commercial developments 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;
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 2006/07, Assessment District No. 299 will be credited the amount of the Condominium Owners Association's portion of the assessment.

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 2010/11, Assessment District No. 272-02 shall not be levied an assessment as the property shown on Tentative Tract Map 63008 has not been developed.

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.

Property in Assessment District No. 2014-322 was assessed for the first time in Fiscal Year 2015/16.

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.

In Fiscal Year 2021/22 the City did not assess Assessment District Nos. 2006-173, 2006-294, 2005-298, 2006-302, 2007-312, 2007-313, 2007-316, 2007-318, 2007-319, 2007-320, 2014-321, and 2006-901 because the landscaping has not been completed or accepted for maintenance. For Fiscal Year 2021/22, these Assessment Districts will receive a credit towards their assessment resulting in a zero assessment.

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[3]:

- 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*)[4] 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*)[5] 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*)[6] 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

[3] *California Constitution Article XIII D Section 4.*
[4] *Golden Hill Neighborhood Assn. v. City of San Diego CA4/1, D062203 (Cal. Ct. App. 2013)*
[5] *Beutz v. County of Riverside, 109 Cal. Rptr. 3d 851 (Cal. Ct. App. 2010)*
[6] *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)*[7], 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)*[8] 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] *Bonander v. Town of Tiburon, 147 Cal. App. 4th 1116 (Cal. Ct. App. 2007)*
[8] *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.[9]

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.

[9] *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

The Fiscal Year 2021/22 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 2021/22	
Description	**Proposed FY 2021/22 Costs**
Direct Maintenance Costs	$3,694,199
Utility Costs	1,539,249
Other Costs	923,549
Estimated Expenditures	**$6,156,997**
Fiscal Year 2021/22 Net Amount to be Assessed	**$6,156,997**

A list of the Assessment Districts containing the Fiscal Year 2021/22 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.[10]

[10] *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. ***Previous annual Engineer's Reports were prepared by a different engineer of record and specific language from the prior year's Engineer's Report*** [11] ***has been referenced to describe the Method of Apportionment within the following section of this report.*** [12]

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 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*

[11] *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").*

[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.*

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[13]. Annually, the Assessment Engineer shall compute the percentage difference between the CPI for the most recent February and the CPI for the previous February 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

[13] *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.*

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.[14]

For Fiscal Year 2021/22, the maximum assessment rates for the Assessment Districts are increased by 0.97%, based on the increase of the February 2020 to February 2021 CPI, for All Urban Consumers in the Los Angeles-Long Beach- Anaheim Area, of 0.97%.

5.5 Fiscal Year 2021/22 Maximum Assessment Rates

The Fiscal Year 2021/22 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.

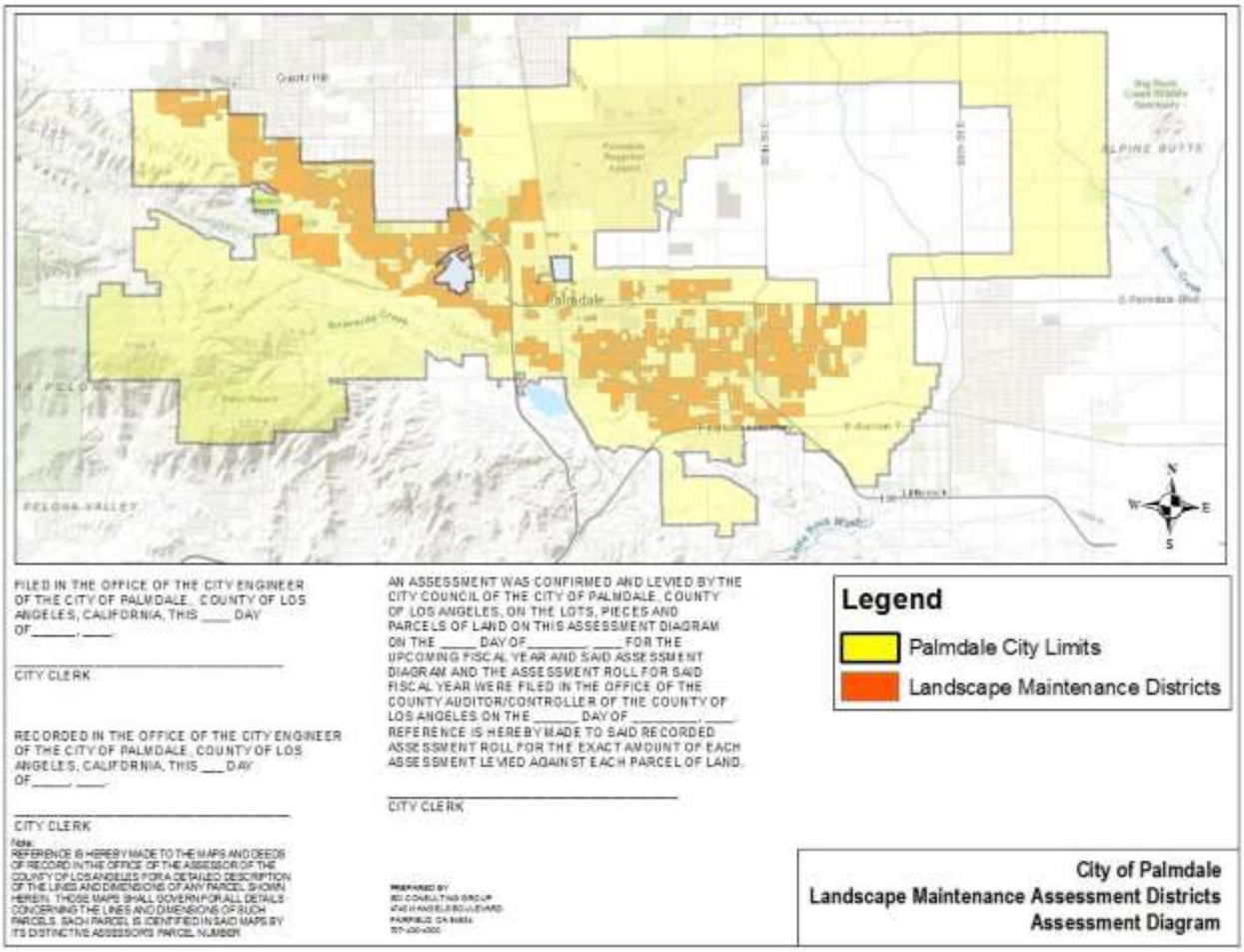
5.7 Appeals and Interpretation

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.

[14] *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.*

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

District[1]	FY Formed	Tract/ Parcel Map	Land Use	General Location	Total Streetscape (SF)	Total On-Site Basin LS (SF)	Total Area (SF)
61	97/98	43692	Res	Rancho Vista Blvd and 15th St West	19,722	26,878	46,600
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

District[(1)]	FY Formed	Tract/ Parcel Map	Land Use	General Location	Total Streetscape (SF)	Total On-Site Basin LS (SF)	Total Area (SF)
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
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

District[(1)]	FY Formed	Tract/ Parcel Map	Land Use	General Location	Total Streetscape (SF)	Total On-Site Basin LS (SF)	Total Area (SF)
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
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	16,494	19,182	35,676
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

District[(1)]	FY Formed	Tract/ Parcel Map	Land Use	General Location	Total Streetscape (SF)	Total On-Site Basin LS (SF)	Total Area (SF)
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	2,663,681	37,308	2,700,989
289	05/06	61660	Res	NE Corner of Ave Q-13 and 12th St East	3,655	10,664	14,319
290		54209	Res	NE Corner of Ave R and 35th St East	0	0	0
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	4,190	6,770	10,960
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
900	04/05	544.8, 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
Totals:					**11,579,208**	**4,826,152**	**16,405,360**

(1) The City is not currently maintaining landscaping improvements of Assessment District Nos. 173, 277, 288, 900 and 901.

8. ASSESSMENT ROLL

The assessment roll is a listing of the district assessment apportioned to each lot or parcel, as shown on the last equalized roll of the County Assessor. The Assessment Roll for Fiscal Year 2021/22 is on file with the City Engineer and is incorporated by reference herein and made part of this Engineer's Report.

The following table summarizes the Fiscal Year 2021/22 assessments for the Assessment Districts.

Assessment District	Parcel Count[(1)]	EDUs per Assessment District	FY 2021/22 Assessment Amount	FY 2021/22 Proposed Assessment Rate Per EDU	FY 2021/22 Maximum Assessment Rate Per EDU
1	75	75.00	$2,097.00	$27.96	$27.96
2	223	223.00	26,492.40	118.80	118.80
5	110	110.00	33,826.10	307.51	307.51
6	19	19.00	3,717.92	195.68	195.68
7	167	167.00	20,133.52	120.56	120.56
9	289	289.00	36,096.10	124.90	124.90
10	176	176.00	6,765.44	38.44	38.44
11	208	208.00	90,536.16	435.27	435.27
12	205	205.00	64,470.45	314.49	314.49
13	130	130.00	2,952.30	22.71	22.71
14	67	67.00	3,157.71	47.13	47.13
15	60	60.00	16,561.80	276.03	276.03
16	45	45.00	20,206.35	449.03	449.03
17	92	92.00	14,460.56	157.18	157.18
19	44	44.00	15,299.68	347.72	347.72
20	136	136.00	24,236.56	178.21	178.21
21	40	40.00	10,972.40	274.31	274.31
22	78	78.00	41,208.18	528.31	528.31
23	142	142.00	21,833.92	153.76	153.76
24	884	884.00	187,637.84	212.26	212.26
24-1	165	165.00	33,506.55	203.07	203.07
24-2	95	95.00	19,451.25	204.75	204.75
24-3	100	100.00	36,525.00	365.25	365.25
24-4	19	19.00	4,032.94	212.26	212.26
24-5	170	170.00	17,226.10	101.33	101.33
24-6	238	238.00	27,755.56	116.62	116.62
25	43	43.00	4,807.40	111.80	111.80
26	87	87.00	8,816.58	101.34	101.34
28	78	78.00	5,995.86	76.87	76.87
29	71	71.00	7,215.73	101.63	101.63
30	36	36.00	10,883.16	302.31	302.31
31	86	86.00	7,512.10	87.35	87.35
32	107	107.00	22,808.12	213.16	213.16
33	167	167.00	31,800.14	190.42	190.42
35	14	14.00	954.10	68.15	68.15
36	61	61.00	6,181.74	101.34	101.34
37	47	47.00	3,529.70	75.10	75.10
39	45	45.00	5,317.65	118.17	118.17
40	127	127.00	40,829.23	321.49	321.49

Assessment District	Parcel Count[1]	EDUs per Assessment District	FY 2021/22 Assessment Amount	FY 2021/22 Proposed Assessment Rate Per EDU	FY 2021/22 Maximum Assessment Rate Per EDU
41	299	299.00	35,921.86	120.14	120.14
42	39	39.00	11,719.89	300.51	300.51
43	172	172.00	27,951.72	162.51	162.51
44	143	143.00	28,831.66	201.62	201.62
46	45	45.00	12,659.40	281.32	281.32
48	39	39.00	2,384.46	61.14	61.14
49	55	55.00	7,015.80	127.56	127.56
51	59	59.00	6,186.15	104.85	104.85
52	127	127.00	25,074.88	197.44	197.44
56	178	178.00	5,288.38	29.71	29.71
58	41	41.00	3,940.10	96.10	96.10
59	179	179.00	14,615.35	81.65	81.65
60	81	81.00	14,718.51	181.71	181.71
61	178	178.00	39,806.14	223.63	223.63
62	16	16.00	7,995.04	499.69	499.69
63	240	240.00	39,415.20	164.23	164.23
64	120	120.00	6,656.40	55.47	55.47
65	320	320.00	33,552.00	104.85	104.85
66	327	327.00	46,277.04	141.52	141.52
67	173	173.00	9,367.95	54.15	54.15
68	100	100.00	20,618.00	206.18	206.18
69	89	89.00	7,462.65	83.85	83.85
70	137	137.00	19,388.24	141.52	141.52
72	219	219.00	36,347.43	165.97	165.97
73	160	160.00	20,966.40	131.04	131.04
75	111	111.00	27,348.18	246.38	246.38
76	84	84.00	7,630.56	90.84	90.84
77	40	40.00	10,412.40	260.31	260.31
78	174	174.00	35,661.30	204.95	204.95
80	6	101.43	14,700.35	144.93	144.93
82	19	19.00	4,545.56	239.24	239.24
83	25	25.00	1,835.00	73.40	73.40
84	69	69.00	17,237.58	249.82	249.82
85	581	581.00	105,573.51	181.71	181.71
86	86	86.00	5,559.04	64.64	64.64
87	318	318.00	42,771.00	134.50	134.50
88	72	72.00	18,365.04	255.07	255.07
89	406	406.00	43,263.36	106.56	106.56
92	40	40.00	8,246.80	206.17	206.17
93	21	21.00	1,541.40	73.40	73.40
94	78	78.00	13,081.38	167.71	167.71
96	88	88.00	4,305.84	48.93	48.93
97	46	46.00	4,157.94	90.39	90.39
98	225	225.00	22,018.50	97.86	97.86
99	164	164.00	14,325.40	87.35	87.35
100	233	233.00	4,883.68	20.96	20.96
102	169	169.00	9,445.41	55.89	55.89
103	229	229.00	17,200.19	75.11	75.11

Assessment District	Parcel Count[1]	EDUs per Assessment District	FY 2021/22 Assessment Amount	FY 2021/22 Proposed Assessment Rate Per EDU	FY 2021/22 Maximum Assessment Rate Per EDU
105	260	260.00	14,991.60	57.66	57.66
106	14	14.00	6,427.12	459.08	459.08
107	32	32.00	7,547.84	235.87	235.87
109	109	109.00	7,045.76	64.64	64.64
110	121	121.00	9,088.31	75.11	75.11
111	77	77.00	13,587.42	176.46	176.46
112	103	103.00	10,799.55	104.85	104.85
113	83	83.00	7,534.74	90.78	90.78
114	42	42.00	8,145.90	193.95	193.95
115	159	159.00	11,226.99	70.61	70.61
116	33	33.00	3,748.47	113.59	113.59
119	80	80.00	32,708.00	408.85	408.85
120	154	154.00	23,409.54	152.01	152.01
121	48	48.00	11,489.28	239.36	239.36
122	178	178.00	46,335.18	260.31	260.31
123	192	192.00	8,386.56	43.68	43.68
125	113	113.00	9,280.69	82.13	82.13
126	107	107.00	18,881.22	176.46	176.46
127	117	117.00	6,335.55	54.15	54.15
128	413	413.00	102,002.74	246.98	246.98
129	255	255.00	85,101.15	333.73	333.73
131	80	80.00	12,437.60	155.47	155.47
133	285	285.00	36,354.60	127.56	127.56
135	58	58.00	3,140.70	54.15	54.15
136	84	84.00	9,572.64	113.96	113.96
137	207	207.00	22,057.92	106.56	106.56
138	93	93.00	10,989.81	118.17	118.17
139	161	161.00	38,258.43	237.63	237.63
140	121	121.00	7,781.51	64.31	64.31
141	159	159.00	59,017.62	371.18	371.18
143	81	81.00	7,925.85	97.85	97.85
144	90	90.00	8,019.90	89.11	89.11
145	402	402.00	56,866.92	141.46	141.46
146	64	64.00	26,390.40	412.35	412.35
148	115	115.00	3,010.70	26.18	26.18
150	33	33.00	10,230.99	310.03	310.03
151	91	91.00	9,858.03	108.33	108.33
152	39	115.71	102,838.27	888.76	888.76
153	100	100.00	19,918.00	199.18	199.18
154	38	25.17	26,388.80	1,048.18	1,048.18
156	81	81.00	10,614.24	131.04	131.04
157	16	16.00	2,711.52	169.47	169.47
159	46	46.00	19,592.78	425.93	425.93
160	112	112.00	24,853.92	221.91	221.91
163	75	75.00	20,181.00	269.08	269.08
165	85	85.00	6,239.00	73.40	73.40
167	21	21.00	623.91	29.71	29.71
168	87	87.00	7,448.07	85.61	85.61

Assessment District	Parcel Count[1]	EDUs per Assessment District	FY 2021/22 Assessment Amount	FY 2021/22 Proposed Assessment Rate Per EDU	FY 2021/22 Maximum Assessment Rate Per EDU
171	36	36.00	4,025.16	111.81	111.81
175	32	32.00	7,379.84	230.62	230.62
176	38	38.00	7,236.72	190.44	190.44
177	56	56.00	18,395.44	328.49	328.49
178	150	150.00	47,961.00	319.74	319.74
179	394	394.00	72,972.74	185.21	185.21
180	74	74.00	28,899.22	390.53	390.53
182	60	60.00	16,651.20	277.52	277.52
183	42	42.00	11,741.10	279.55	279.55
184	174	174.00	39,532.80	227.20	227.20
188	82	82.00	8,737.92	106.56	106.56
189	38	38.00	7,967.08	209.66	209.66
190	68	68.00	8,079.08	118.81	118.81
191	84	84.00	7,043.40	83.85	83.85
192	71	71.00	6,078.31	85.61	85.61
193	151	151.00	31,658.66	209.66	209.66
195	140	179.66	32,154.95	178.98	178.98
197	43	43.00	23,333.09	542.63	542.63
199	118	118.00	3,681.60	31.20	31.20
201	82	82.00	10,953.56	133.58	133.58
202	21	21.00	6,906.69	328.89	328.89
203	56	56.00	10,077.76	179.96	179.96
204	83	83.00	8,844.48	106.56	106.56
206	80	80.00	13,000.80	162.51	162.51
207	194	194.00	14,912.78	76.87	76.87
212	69	69.00	19,411.08	281.32	281.32
213	228	228.00	31,071.84	136.28	136.28
214	49	49.00	11,814.39	241.11	241.11
216	223	223.00	32,754.24	146.88	146.88
217	388	388.00	169,129.20	435.90	435.90
219	91	91.00	11,978.33	131.63	131.63
220	126	126.00	9,024.12	71.62	71.62
221	92	92.00	67,634.72	735.16	735.16
222	197	197.00	70,212.77	356.41	356.41
224	78	78.00	4,497.48	57.66	57.66
233	31	31.00	4,579.32	147.72	147.72
234	48	48.00	3,605.28	75.11	75.11
235	148	148.00	31,318.28	211.61	211.61
236	72	72.00	6,717.60	93.30	93.30
237	23	23.00	17,465.51	759.37	759.37
238	84	84.00	24,455.76	291.14	291.14
239	95	95.00	14,503.65	152.67	152.67
240	132	132.00	56,899.92	431.06	431.06
241	85	85.00	56,581.10	665.66	665.66
242	45	45.00	1,760.85	39.13	39.13
243	40	40.00	36,028.40	900.71	900.71
244	104	104.00	58,921.20	566.55	566.55
245	118	118.00	66,852.90	566.55	566.55

Assessment District	Parcel Count[1]	EDUs per Assessment District	FY 2021/22 Assessment Amount	FY 2021/22 Proposed Assessment Rate Per EDU	FY 2021/22 Maximum Assessment Rate Per EDU
246	158	158.00	89,514.90	566.55	566.55
247	51	51.00	28,894.05	566.55	566.55
248	49	49.00	27,760.95	566.55	566.55
251	19	19.00	1,221.89	64.31	64.31
252	156	156.00	20,521.80	131.55	131.55
253	161	161.00	18,911.06	117.46	117.46
254	49	49.00	22,254.33	454.17	454.17
255	41	41.00	36,037.77	878.97	878.97
256	99	99.00	37,045.80	374.20	374.20
256-01	103	103.00	41,285.49	400.83	400.83
257	78	78.00	45,106.62	578.29	578.29
259	72	72.00	10,852.56	150.73	150.73
260	86	86.00	47,576.92	553.22	553.22
261	144	144.00	9,796.32	68.03	68.03
262	122	122.00	19,848.18	162.69	162.69
263	64	64.00	31,635.84	494.31	494.31
264	108	108.00	49,203.72	455.59	455.59
265	64	64.00	33,513.60	523.65	523.65
266	79	79.00	50,494.43	639.17	639.17
267	255	255.00	145,982.40	572.48	572.48
268	279	185.00	58,561.75	316.55	316.55
271	67	67.00	30,838.76	460.28	460.28
272	171	173.00	73,929.82	427.34	427.34
272-01	170	170.00	72,654.60	427.38	427.38
272-02	1	0.00	0.00	0.00	427.38
273	83	83.00	60,760.15	732.05	732.05
274	62	62.00	49,528.70	798.85	798.85
275	18	0.00	0.00	0.00	693.75
276	38	38.00	21,191.84	557.68	557.68
278	372	372.00	226,038.36	607.63	607.63
279	41	41.00	17,230.25	420.25	420.25
281	168	168.00	62,798.40	373.80	373.80
282	38	38.00	6,874.58	180.91	180.91
283	33	33.00	6,158.13	186.61	186.61
286	78	78.00	43,444.44	556.98	556.98
287	198	198.00	77,002.20	388.90	388.90
289	23	23.00	9,976.94	433.78	433.78
292	180	180.00	123,436.80	685.76	685.76
292-01	40	40.00	27,430.40	685.76	685.76
293	42	42.00	25,252.08	601.24	601.24
294	16	0.00	0.00	0.00	463.55
295	50	50.00	31,396.00	627.92	627.92
296	66	66.00	40,050.12	606.82	606.82
297	5	0.00	0.00	0.00	842.95
298	59	0.00	0.00	0.00	749.65
299	204	204.00	38,437.68	188.42	188.42
301	62	62.00	43,873.06	707.63	707.63
302	1	0.00	0.00	0.00	845.79

Assessment District	Parcel Count[1]	EDUs per Assessment District	FY 2021/22 Assessment Amount	FY 2021/22 Proposed Assessment Rate Per EDU	FY 2021/22 Maximum Assessment Rate Per EDU
304	66	66.00	30,221.40	457.90	457.90
312	1	0.00	0.00	0.00	814.46
313	2	0.00	0.00	0.00	1,001.06
314	117	117.00	71,362.98	609.94	609.94
315	28	28.00	18,561.48	662.91	662.91
316	8	0.00	0.00	0.00	512.78
318	12	0.00	0.00	0.00	1,078.67
319	12	0.00	0.00	0.00	400.73
320	2	0.00	0.00	0.00	1,941.98
321	2	0.00	0.00	0.00	447.38
322	8	8.00	3,605.68	450.71	450.71
900	1,417	0.00	0.00	0.00	559.99
901	47	0.00	0.00	0.00	582.95
Totals	**28,458**	**26,961.97**	**$6,156,996.66**		

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

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2021-039, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE OF INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2021/2022, PRELIMINARILY APPROVING THE ANNUAL ENGINEER'S REPORT AND PROVIDING FOR NOTICE OF HEARING FOR THE CITY OF PALMDALE PARK MAINTENANCE AND RECREATION IMPROVEMENT DISTRICT**

ISSUE

Adopt Resolution No. CC 2021-039 providing intention to continue assessments, to preliminarily approve the annual Engineer's Report, and to provide notice of the annual public hearing for the City of Palmdale Park Maintenance and Recreation Improvement District.

RECOMMENDATION

Staff recommends that the City Council adopt Resolution No. CC 2021-039 providing intention to continue assessments, to preliminarily approve the annual Engineer's Report, and to provide notice of the annual public hearing for the City of Palmdale Park Maintenance and Recreation Improvement District.

BACKGROUND

The City of Palmdale Park Maintenance and Recreation Improvement District was formed in 2002. 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.

Each year, the Landscaping and Lighting Act of 1972 requires that, in order to continue the annual levy of assessments, the Park Maintenance and Recreation Improvement District has a detailed Engineer's Report approved by the City Council.

DISCUSSION

On May 6, 2021, the City Council took the first step to continue assessing the levies for Fiscal Year 2021/2022 by adopting Resolution No. CC 2021-027, which directed NBS, the assessment engineer, to prepare the annual Engineer's Report for the City of Palmdale Park Maintenance and Recreation Improvement District for Fiscal Year 2021/2022.

This Resolution No. CC 2021-039 is the second step which provides intention to continue the assessments for Fiscal Year 2021/2022, preliminarily approves the Engineer's Report 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 LA County tax rolls.

The third and final step will be the public hearing regarding the final approval of the Engineer's Report and the ordering of the levies for Fiscal Year 2021/2022 that will be held by the City Council on July 13, 2021.

The Engineer's Report contains 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 the Park Maintenance and Recreation Improvement District, identifying the methodology for assigning assessments to each parcel, and estimating the cost for improvements. The Engineer's Report establishes the important foundation and justification for the continued collection of the assessments for Fiscal Year 2021/2022.

FISCAL IMPACT

The proposed assessment rate for the City of Palmdale Park Maintenance and Recreation Improvement District (the "District") for fiscal year 2021/2022 per Single Family Equivalent (SFE) benefit unit is $56.52 for Zone of Benefit A and Zone of Benefit C, and $28.26 for Zone of Benefit B. The projected total assessment amount to be received from the three Zones of Benefit in fiscal year 2021/2022 is $2,852,078.90.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community viability.

A. Seek innovative, cost effective, customer focused methods of service delivery.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan P. E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Resolution No. CC 2021-039
2. Fiscal Year 2021/22 Engineer's Report For: Park Maintenance and Recreation Improvement District

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2021-039

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE OF INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2021/2022, PRELIMINARILY APPROVING THE ANNUAL ENGINEER'S REPORT AND PROVIDING FOR NOTICE OF HEARING FOR THE CITY OF PALMDALE PARK MAINTENANCE AND RECREATION IMPROVEMENT DISTRICT

WHEREAS, on July 31, 2002, by its Resolution No. CC 2002-162, after receiving a weighted majority of 56% of ballots in support of the proposed assessment, this City Council ordered the formation of and levied the City of Palmdale Park Maintenance and Recreation Improvement District (the "District") pursuant to the provisions of 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 an Engineer's Report in accordance with the 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 information required by the Act, including: (a) a calculation of the portion of the services to be provided by the District that constitute a special benefit to the parcels in the District; (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 2021/2022.

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 District for Fiscal Year 2021/2022.

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 District may be briefly described as follows: the installation, maintenance, and servicing of any authorized improvements under the Act, including, but not limited to new parks and recreation facilities, and any facilities which are appurtenant to any of the aforementioned, or which are necessary or convenient for the maintenance or servicing thereof.

SECTION 5. Reference is hereby made to the Report for a full and detailed description of the improvements, the boundaries of the District and the assessments upon assessable lots and parcels of land within the District.

SECTION 6. The assessment is subject to an annual adjustment tied to the annual change in the Consumer Price Index for the Los Angeles Area as of January of each succeeding year ("CPI"), 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 2020 to January 2021 was 0.87% and there was 0.74% of Unused CPI carried over from the prior fiscal year. Therefore, the maximum authorized assessment rate for Fiscal Year 2021/2022 is increased by 1.61% which equates to $56.52 per single family equivalent (SFE) benefit unit for Zones A and C and $28.26 per SFE for Zone B. The estimate of cost and budget in this Engineer's Report proposes assessments for Fiscal Year 2021/2022 at the rate of $56.52 per SFE for Zones A and C and $28.26 for Zone B, which is equal to the maximum authorized assessment rate.

SECTION 7. A public hearing concerning the proposed assessments for the District shall be held by the City Council on July 13, 2021 at 7:00 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 8. The City Clerk is hereby authorized and directed to cause a notice of the hearing for the continuation of the assessments for the District 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 District.

SECTION 9. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this 1st day of June, 2021.

Approved as to form:

_____
Steven D. Hofbauer, Mayor

ATTEST:

_____
Christopher L. Beck
City Attorney

_____
Shanae S. Smith, City Clerk

I, Shanae S. Smith, 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 1st day of June, 2021 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____ _____
Shanae S. Smith, City Clerk

CITY OF PALMDALE

Fiscal Year 2021/22 Engineer's Report For:

Park Maintenance and Recreation Improvement District

May 2021

Prepared by:

NBS
helping communities fund tomorrow
nbsgov.com

Corporate Headquarters
32605 Temecula Parkway, Suite 100
Temecula, CA 92592
Toll free: 800.676.7516

TABLE OF CONTENTS

1. Engineer's Letter 1

2. Introduction 2

2.1 Background 2

2.2 Process for Annual Assessment 3

2.3 Legislative Context 4

3. Plans and Specifications 6

3.1 Description of Improvements and Services 7

4. Estimate of Costs 9

5. Method of Apportionment 11

5.1 Discussion of Benefit 11

5.2 Benefit Factors 12

5.3 Benefit Finding 13

5.4 General Versus Special Benefit 13

5.5 Calculating General Benefit 14

5.6 Zones of Benefit 17

5.7 Method of Assessment 18

5.8 Cost of Living Inflator 23

5.9 Fiscal Year 2021/22 Maximum Assessment 23

5.10 Duration of Assessment 23

5.11 Appeals and Public Hearing 23

6. Assessment Diagram 25

7. Assessment Roll 27

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 2021/22, 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 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 2021/22, 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 2021/22 Proposed Assessment Amount	FY 2021/22 Proposed Assessment Rate Per SFE	FY 2021/22 Maximum Assessment Rate Per SFE
Zone A	43,891	48,349.62	$2,732,704.72	$56.52	$56.52
Zone B	1,906	135.04	3,815.86	28.26	28.26
Zone C	2,415	2,044.56	115,558.32	56.52	56.52
Totals:	**48,212**	**50,529.22**	**$2,852,078.90**		

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

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[1]:

- 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*)[2] 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*)[3] 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*)[4] 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

[1] *California Constitution Article XIII D Section 4.*
[2] *Golden Hill Neighborhood Assn. v. City of San Diego CA4/1, D062203 (Cal. Ct. App. 2013)*
[3] *Beutz v. County of Riverside, 109 Cal. Rptr. 3d 851 (Cal. Ct. App. 2010)*
[4] *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)*[5], 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)*[6] 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*."

[5] *Bonander v. Town of Tiburon, 147 Cal. App. 4th 1116 (Cal. Ct. App. 2007)*
[6] *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 Street

- Larry Chimbole Cultural Center (19,300 square feet), 38350 Sierra Highway
- Hammack Activity Center/ Roller Hockey Rinks (29,000 square feet), 815 East Avenue Q-6 (Boys & Girls Club)
- Rancho Vista Neighborhood Park (5.00 Acres), Bolz Ranch / Town Center Road (not developed)
- 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)

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 2021/22 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 2021/22 Costs**
Beginning Fund Balance	$3,126,799
Installation, Maintenance & Servicing Costs [1]	
Maintenance & Operation of Vision Facilities	$2,492,660
Maintenance of Parks & Recreation Facilities [2]	3,950,000
Totals for Installation, Maintenance & Servicing	**$6,442,660**
Less: City Contribution [3]	**($2,577,064)**
Net Cost of Installation, Maintenance & Operation	**$3,865,596**
Incidental Costs	
Collection and Administration	$61,560
Totals for Incidentals	**$61,560**
Less: Fund Balance Contribution	**($1,075,077)**
Fiscal Year 2021/22 Net Amount to be Assessed	**$2,852,079**
Estimated Ending Fund Balance	$2,051,722

Budget Allocation to Property [4]				
Zone of Benefit	**Parcels** [5]	**SFE Units** [6]	**FY 2021/22 Maximum Assessment Rate Per SFE**	**FY 2021/22 Amount to be Assessed**
Zone A	43,891	48,349.62	$56.52	$2,732,704.72
Zone B	1,906	135.04	28.26	3,815.86
Zone C	2,415	2,044.56	56.52	115,558.32
Totals:	**48,212**	**50,529.22**		**$2,852,078.90**

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 $6,442,660 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, $2,577,064 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) 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.

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

(6) 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[7] has been referenced to describe the Method of Apportionment within the following section of this report.*** [8]

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."*

[7] *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").*

[8] *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.[9] A

[9] *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. [10]

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 $6,442,660. Of this total budget amount, the City will contribute at least 2,557,064 (or 40%) from sources other than the assessments, to cover any general benefits that cannot be assessed to property owners in the District.

[10] *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.[11]

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. [12]

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

[11] *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.*

[12] *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.[13] 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.

[13] *(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.[14]

[14] *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 2020 to January 2021 was 0.87%, and there was 0.74% of the Unused CPI carried over (as described above). Therefore, the cost of living inflator for Fiscal Year 2021/22 is 1.61%.

5.9 Fiscal Year 2021/22 Maximum Assessment

The maximum authorized assessment rate for Fiscal Year 2021/22 is increased by 1.61% (0.87% CPI plus 0.74% Unused CPI) which equates to $56.52 per SFE for Zones A and C, and $28.26 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 2021/22 at the rate of $56.52 per SFE for Zones A and C and $28.26 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 2002/03 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.

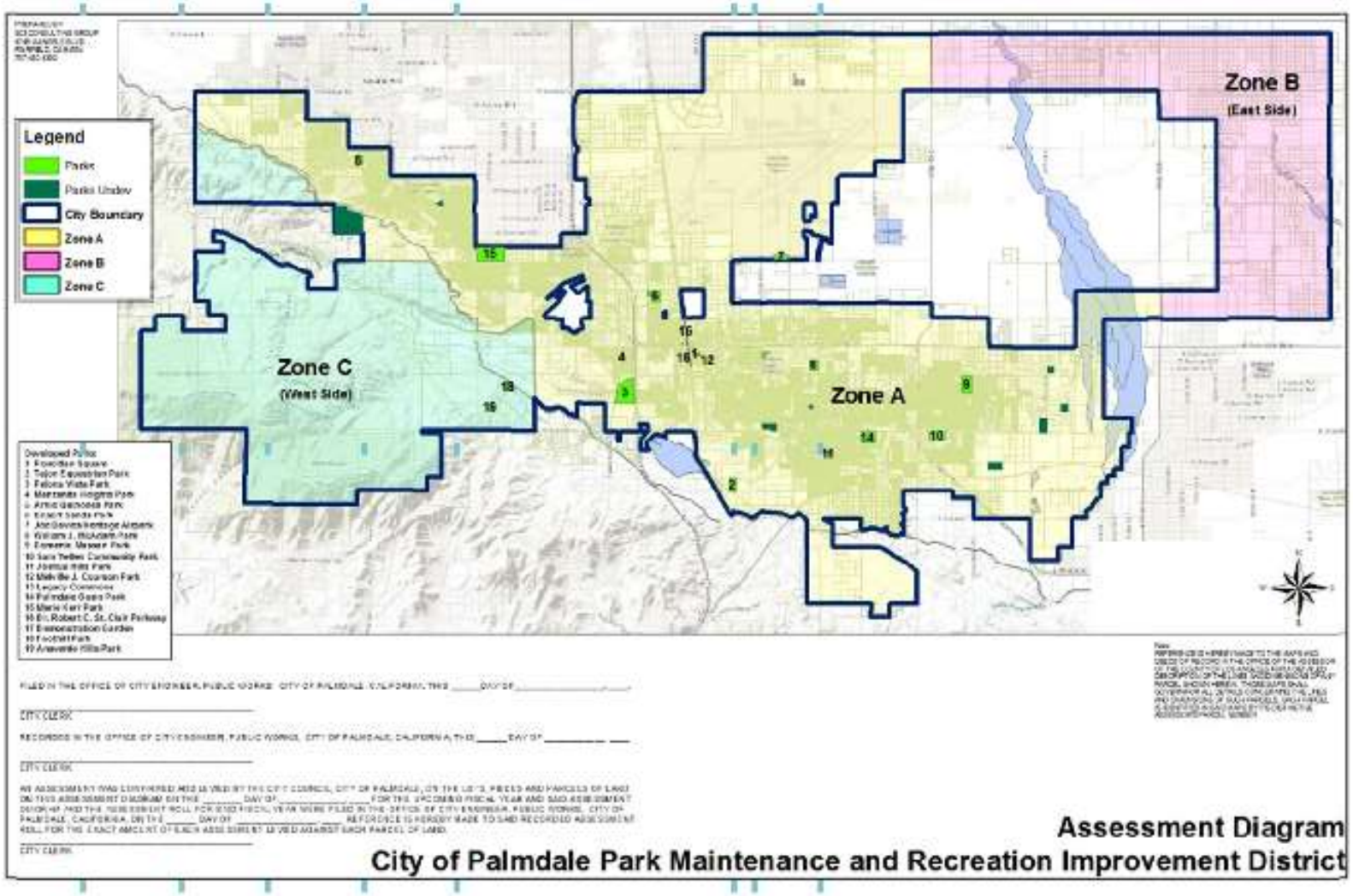
5.11 Appeals and Public Hearing

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.


Legend
Parks
Parks Under
City Boundary
Zone A
Zone B
Zone C
Zone B
(East Side)
Zone C
(West Side)
Zone A
Assessment Diagram
City of Palmdale Park Maintenance and Recreation Improvement District

7. ASSESSMENT ROLL

The assessment roll is a listing of the District assessment apportioned to each lot or parcel, as shown on the last equalized roll of the County Assessor. The Assessment Roll for Fiscal Year 2021/22 is on file with the City Engineer and is incorporated by reference herein and made part of this Engineer's Report.

The following table summarizes the Fiscal Year 2021/22 assessment for the District.

Zone of Benefit	Parcels [1]	SFE Units	FY 2021/22 Rate Per SFE	FY 2021/22 Assessment Amount
Zone A	43,891	48,349.62	$56.52	$2,732,704.72
Zone B	1,906	135.04	28.26	3,815.86
Zone C	2,415	2,044.56	56.52	115,558.32
Totals:	**48,212**	**50,529.22**		**$2,852,078.90**

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

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS**

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2021-041, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE OF INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2021/2022, PRELIMINARILY APPROVING THE COMBINED ANNUAL ENGINEER'S REPORT AND PROVIDING FOR NOTICE OF HEARING FOR THE CITY OF PALMDALE STREETLIGHT MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS**

ISSUE

Adopt Resolution No. CC 2021-041 providing intention to continue assessments, to preliminarily approve the combined annual Engineer's Report, and to provide notice of the annual public hearing for the City of Palmdale Streetlight Maintenance Assessment Districts and Annexations.

RECOMMENDATION

Staff recommends that the City Council adopt Resolution No. CC 2021-041 providing intention to continue assessments, to preliminarily approve the combined annual Engineer's Report, and to provide notice of the annual public hearing for the City of Palmdale Streetlight Maintenance Assessment Districts and Annexations.

BACKGROUND

The City of Palmdale Streetlight Maintenance Assessment Districts and Annexations were approved by property owners pursuant to mailed ballot elections conducted in accordance with Article XIIID of the California Constitution.

Currently, there are 5 Streetlight Maintenance Assessment Districts. District No. 1 consists of residential and non-residential developments located throughout the City. District No. 2 includes the Anaverde Master Planned Community. District No. 3 includes the Ritter Ranch Master Planned Community. District No. 4, similar to District No. 1, consists of residential and non-residential developments located throughout the City, and includes property that was annexed on or after 2010. To date, District No. 4 has 23 individual Annexations. District No. 5 includes the approximately 32,790 parcels that were previously covered under the Los Angeles County Lighting Maintenance District No. 1616, and that have been administered by the City since Fiscal Year 2014/2015.

The purpose of the Streetlight Maintenance Assessment Districts and Annexations is to fund the installation, maintenance, and servicing of any authorized improvements under the Landscaping and Lighting Act of 1972, 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 Streetlight Maintenance Assessment Districts and Annexations have a detailed combined annual Engineer's Report approved by the City Council.

DISCUSSION

On May 6, 2021, the City Council took the first step to continue assessing the levies for Fiscal Year 2021/2022 by adopting Resolution No. CC 2021-028, which directed NBS, the assessment engineer, to prepare the combined annual Engineer's Report for the City of Palmdale Streetlight Maintenance Assessment Districts and Annexations for Fiscal Year 2021/2022.

This Resolution No. CC 2021-041 is the second step which provides intention to continue the assessments for Fiscal Year 2021/2022, preliminarily approves the combined annual Engineer's Report 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 LA County tax rolls.

The third and final step will be the public hearing regarding the final approval of the combined annual Engineer's Report and the ordering of the levies for Fiscal Year 2021/2022 that will be held by the City Council on July 13, 2021.

The combined annual Engineer's Report contains 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 the Streetlight Maintenance Assessment Districts and Annexations, identifying the methodology for assigning assessments to each parcel, and estimating the cost for improvements. The combined annual Engineer's Report establishes the important foundation and justification for the continued collection of the assessments for Fiscal Year 2021/2022.

FISCAL IMPACT

The Engineer's Report indicates the proposed assessments for the City of Palmdale Streetlight Maintenance Assessment Districts and Annexations. For fiscal year 2021/2022, the assessment rates for the Streetlight Maintenance Assessment Districts is

increased by 0.97%, based on the increase of the February 2020 to February 2021 CPI of 0.97%. The proposed total assessment for all Districts and Annexations for fiscal year 2020/2021 is $4,139,111.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community viability.

A. Seek innovative, cost effective, customer focused methods of service delivery.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan P. E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Resolution No. CC 2021-041
2. Fiscal Year 2021/22 Engineer's Report For: Streetlight Maintenance Assessment Districts and Annexations

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2021-041

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE OF INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2021/2022, PRELIMINARILY APPROVING THE COMBINED ANNUAL ENGINEER'S REPORT AND PROVIDING FOR NOTICE OF HEARING FOR THE CITY OF PALMDALE STREETLIGHT MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS

WHEREAS, the City of Palmdale Streetlight Maintenance Assessment Districts and Annexations (the “Districts”) were approved by property owners pursuant to several 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 a combined annual Engineer’s Report in accordance with the Act and Article XIIID of the California Constitution; and

WHEREAS, the Engineer of Work has filed a combined annual Engineer’s Report (the “Report”) with the City Clerk, copies of which have been submitted to this City Council, which Report contains 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 lighting assessments to individual parcels; (c) a listing of each lot or parcel of property that would be subject to the proposed lighting 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 2021/2022.

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 2021/2022.

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 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 the 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 City Clerk, are incorporated herein by reference, and are open to public inspection. The designation of the City of Palmdale Streetlight Maintenance 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, and 154.

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 annexations.

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, includes one district, No. 91616, with approximately 32,790 parcels that were 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 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 2020 to February 2021 was 0.97%, therefore, the maximum authorized assessment rates for Fiscal Year 2021/2022 are the previous year maximum authorized assessment rates for each

District increased by 0.97%. The amount of the assessment proposed does not exceed the authorized amount.

SECTION 8. A public hearing concerning the proposed assessments for the District shall be held by the City Council on July 13, 2021 at 7:00 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. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this 1st day of June, 2021.

Approved as to form:

_____
Christopher L. Beck
City Attorney

_____
Steven D. Hofbauer, Mayor

ATTEST:

_____
Shanae S. Smith, City Clerk

I, Shanae S. Smith, 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 1st day of June, 2021 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____ _____
Shanae S. Smith, City Clerk

CITY OF PALMDALE

Fiscal Year 2021/22 Engineer's Report For:

Streetlight Maintenance Assessment Districts and Annexations

May 2021

Prepared by:

NBS
helping communities fund tomorrow
nbsgov.com

Corporate Headquarters
32605 Temecula Parkway, Suite 100
Temecula, CA 92592
Toll free: 800.676.7516

TABLE OF CONTENTS

1. Engineer's Letter 1

2. Introduction 2

2.1 Background 2

2.2 Assessment District Inventory 2

2.3 Annexation Exceptions and Other District Information 3

2.4 Process for Annual Assessment 4

2.5 Legislative Context 5

3. Plans and Specifications 7

4. Estimate of Costs 9

5. Method of Apportionment 11

5.1 Special Benefit 11

5.2 General Versus Special Benefit 12

5.3 Quantification of General Benefit 13

5.4 Method of Assessment 14

5.5 Assessment District No. 5 Benefit Factors 18

5.6 Cost of Living Inflator 20

5.7 Fiscal Year 2021/22 Maximum Assessment 20

5.8 Duration of Assessment 20

5.9 Appeals and Interpretation 20

6. Assessment Diagram 22

7. Streetlight Maintenance Districts 23

8. Assessment Roll 28

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 2021/22, in accordance with Article 4 of Chapter 1 of the Act and Article XIII D of the California Constitution. The report presents the plans 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 2021/22, 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 2021/22 Assessment Amount[(4)]
District No. 1 and No. 4	6,599	9,619.21	$1,051,324
District No. 2	1,457	1,480.24	159,380
District No. 3	48	44.00	61,949
District No. 5	32,790	34,901.50	2,866,459
Totals:	**40,894**	**46,044.95**	**$4,139,111**

(1) Includes District and Annexations.
(2) Includes parcels levied and active parcels not yet subject to the assessment.
(3) Equivalent Dwelling Unit.
(4) A list of the Districts and annexations containing the total proposed Fiscal Year 2021/22 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

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, covering over 40,880 parcels. 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 164 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 145 individual annexations encompassing approximately 6,535 parcels.

District No. 2 includes the Anaverde Master Planned Community. District No. 2 includes two annexations and approximately 1,457 parcels.

District No. 3 includes the Ritter Ranch Master Planned Community that encompasses currently only 48 parcels. 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 52 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 32,790 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, and 154.

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, with approximately 32,790 parcels.

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, 091, 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. 157 and 801 were 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. 128, 159, 160, 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 will be assessed for the first time in Fiscal Year 2020/21.

Annexation Nos. 070, 072, 095, 111, 121, 128, 129, 139, 157, 158, 160, 165, 168, and 169 will not be assessed until development starts.

Annexation Nos. 168 and 193 will be assessed for the first time in Fiscal Year 2021/22.

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[1]:

- 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*)[2] 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*)[3] 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*)[4] 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

[1] *California Constitution Article XIII D Section 4.*
[2] *Golden Hill Neighborhood Assn. v. City of San Diego CA4/1, D062203 (Cal. Ct. App. 2013)*
[3] *Beutz v. County of Riverside, 109 Cal. Rptr. 3d 851 (Cal. Ct. App. 2010)*
[4] *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)*[5], 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)*[6] 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*."

[5] *Bonander v. Town of Tiburon, 147 Cal. App. 4th 1116 (Cal. Ct. App. 2007)*
[6] *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.[7]

[7] *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

The Fiscal Year 2021/22 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 2021/22	
Description	**Proposed FY 2021/22 Costs**
Streetlight Maintenance District No. 1 and No. 4	
Direct Maintenance Costs	$262,831
Utility Costs	578,229
Other Costs	210,265
Total Estimated Expenditures	$1,051,324
Fiscal Year 2021/22 Amount to be Assessed	**$1,051,324**
Streetlight Maintenance District No. 2	
Direct Maintenance Costs	$39,845
Utility Costs	87,659
Other Costs	31,876
Total Estimated Expenditures	$159,380
Fiscal Year 2021/22 Amount to be Assessed	**$159,380**
Streetlight Maintenance District No. 3	
Direct Maintenance Costs	$15,487
Utility Costs	34,072
Other Costs	12,389
Total Estimated Expenditures	$61,949
Fiscal Year 2021/22 Amount to be Assessed	**$61,949**
Streetlight Maintenance District No. 5	
Direct Maintenance Costs	$716,614
Utility Costs	1,576,552
Other Costs	573,292
Total Estimated Expenditures	$2,866,459
Fiscal Year 2021/22 Amount to be Assessed	**$2,866,459**
Total Fiscal Year 2021/22 Amount to be Assessed – All Districts	**$4,139,111**

A listing of the Districts containing the total Fiscal Year 2021/22 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. [8]

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.

[8] *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[9] has been referenced to describe the Method of Apportionment within the following section of this report.***[10]

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 been 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*

[9] *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").*

[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.*

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 street lights 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.[11]

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. [12]

[11] *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*

[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.*

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, 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 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 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 2009/2010. 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. District No. 5 consists of approximately 32,790 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 the District No. 5 boundaries after receiving the 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
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

District No. 5 Benefit Factors

Use Code	Use Code Description	Benefit Units
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
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.

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. [13]

For Fiscal Year 2021/22, the maximum authorized assessment rates for the Districts are increased by 0.97%, based on the increase of the February 2020 to February 2021 CPI, for All Urban Consumers in the Los Angeles-Long Beach- Anaheim Area, of 0.97%.

5.7 Fiscal Year 2021/22 Maximum Assessment

The Fiscal Year 2021/22 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

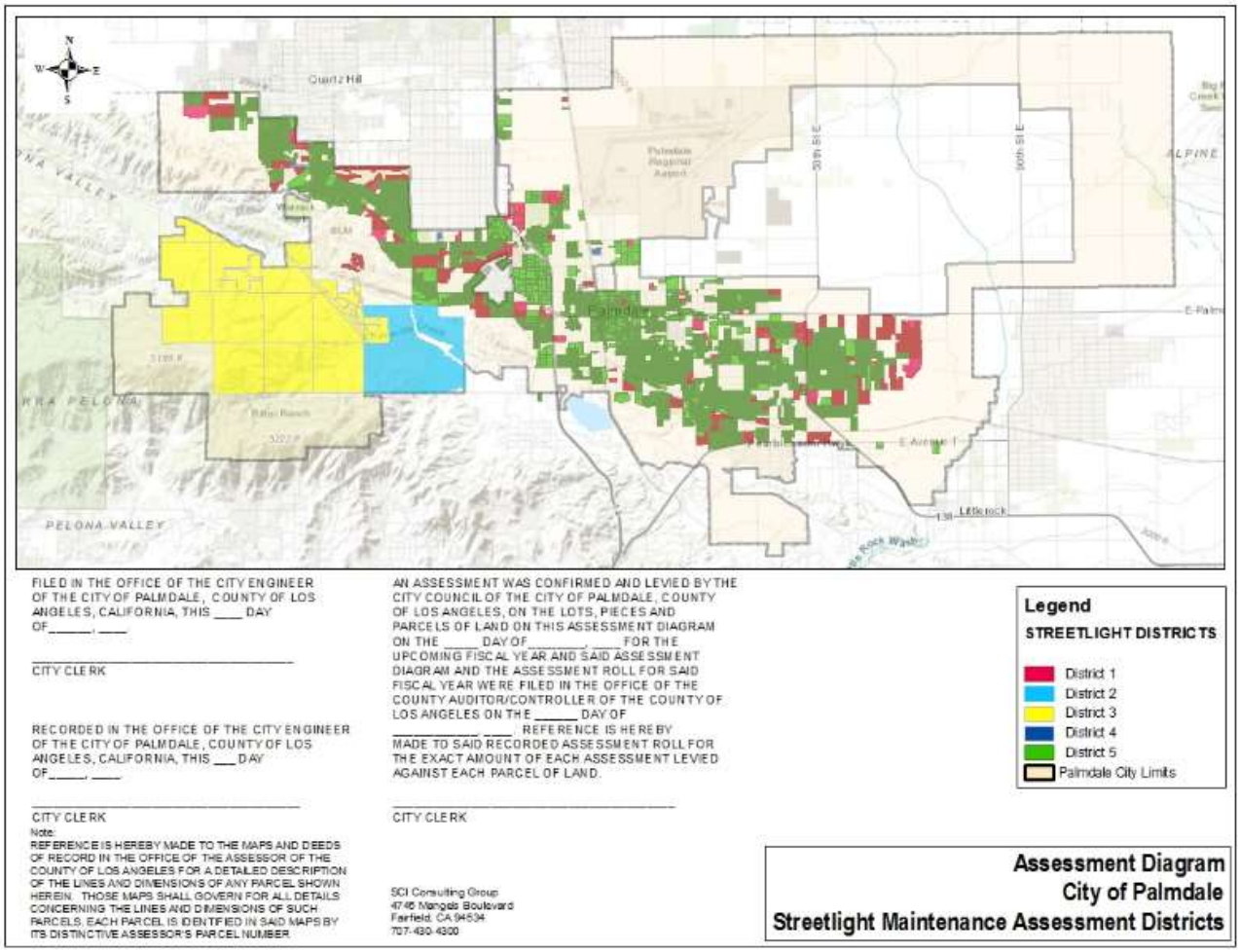
Any property owner who feels that the assessment levied on the subject property is in error, as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the City of Palmdale Public Works department. Any such appeal is limited to correction of an assessment during the then current fiscal year or, if before July 1, the upcoming fiscal year. Upon the filing

[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.*

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 is 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
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
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	Tract/ Parcel Map	Land Use	General Location	Net Commercial Acreage	Total Light Count	Traffic Signals Hwy Lights	Peripheral Lights
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:				**2,166**	**18,580**	**4**	**36**

8. ASSESSMENT ROLL

The assessment roll is a listing of the Districts assessment apportioned to each lot or parcel, as shown on the last equalized roll of the County Assessor. The Assessment Roll for Fiscal Year 2021/22 is on file with the City Engineer and is incorporated by reference herein and made part of this Engineer's Report.

The following table summarizes the Fiscal Year 2021/22 assessments for the Districts.

District	Parcel Count[(1)]	EDUs per District	FY 2021/22 Assessment Amount	FY 2021/22 Assessment Rate per EDU	FY 2021/22 Maximum Assessment Rate per EDU
District No. 1					
1	10	146.28	$16,046.87	$109.70	$109.70
3	104	104.00	11,408.80	109.70	109.70
4	132	132.00	14,480.40	109.70	109.70
5	159	159.00	17,442.30	109.70	109.70
6	156	156.00	17,113.20	109.70	109.70
7	45	45.00	4,936.50	109.70	109.70
9	19	19.00	2,084.30	109.70	109.70
11	49	49.00	5,375.30	109.70	109.70
13	49	49.00	5,375.30	109.70	109.70
14	53	53.00	5,814.10	109.70	109.70
15	161	161.00	17,661.70	109.70	109.70
16	86	86.00	9,434.20	109.70	109.70
17	144	144.00	15,796.80	109.70	109.70
18	72	72.00	7,898.40	109.70	109.70
19	8	137.12	15,042.03	109.70	109.70
20	8	67.48	7,402.54	109.70	109.70
21	70	70.00	7,679.00	109.70	109.70
22	159	158.00	17,332.60	109.70	109.70
23	1	206.48	22,650.85	109.70	109.70
24	1	18.48	2,027.25	109.70	109.70
25	72	72.00	7,898.40	109.70	109.70
26	5	60.64	6,652.20	109.70	109.70
27	21	21.00	2,303.70	109.70	109.70
28	1	15.80	1,733.26	109.70	109.70
29	49	49.00	5,375.30	109.70	109.70
30	122	122.00	13,383.40	109.70	109.70
31	13	13.00	1,426.10	109.70	109.70
32	5	25.56	2,803.91	109.70	109.70
33	74	74.00	8,117.80	109.70	109.70
34	1	17.92	1,965.82	109.70	109.70
35	6	64.60	7,086.61	109.70	109.70
36	2	61.36	6,731.18	109.70	109.70
37	92	91.50	10,037.55	109.70	109.70
38	78	78.00	8,556.60	109.70	109.70
39	43	43.00	4,717.10	109.70	109.70
40	1	42.04	4,611.78	109.70	109.70
41	51	51.00	5,594.70	109.70	109.70
42	64	64.00	7,020.80	109.70	109.70
43	67	67.00	7,349.90	109.70	109.70

District	Parcel Count[(1)]	EDUs per District	FY 2021/22 Assessment Amount	FY 2021/22 Assessment Rate per EDU	FY 2021/22 Maximum Assessment Rate per EDU
44	1	16.56	1,816.63	109.70	109.70
45	1	51.20	5,616.64	109.70	109.70
46	64	64.00	7,020.80	109.70	109.70
47	153	153.00	16,784.10	109.70	109.70
48	108	108.00	11,847.60	109.70	109.70
49	14	217.83	23,895.89	109.70	109.70
50	1	28.56	3,133.03	109.70	109.70
51	2	37.56	4,120.33	109.70	109.70
52	185	185.00	20,294.50	109.70	109.70
53	25	25.00	2,742.50	109.70	109.70
54	21	21.00	2,303.70	109.70	109.70
55	79	79.00	8,666.30	109.70	109.70
56	8	50.76	5,568.33	109.70	109.70
57	41	41.00	4,497.70	109.70	109.70
59	62	62.00	6,801.40	109.70	109.70
60	120	0.00	0.00	0.00	0.00
61	11	140.36	15,397.47	109.70	109.70
62	70	70.00	7,679.00	109.70	109.70
63	32	32.00	3,510.40	109.70	109.70
64	85	85.00	9,324.50	109.70	109.70
65	78	78.00	8,556.60	109.70	109.70
66	34	34.00	3,729.80	109.70	109.70
67	59	61.00	6,691.70	109.70	109.70
68	66	66.00	7,240.20	109.70	109.70
69	78	78.00	8,556.60	109.70	109.70
70	1	0.00	0.00	0.00	109.70
71	38	39.00	4,278.30	109.70	109.70
72	17	0.00	0.00	0.00	109.70
73	38	38.00	4,168.60	109.70	109.70
74	372	372.00	40,808.40	109.70	109.70
75	388	388.00	42,563.60	109.70	109.70
76	83	83.00	9,105.10	109.70	109.70
78	1	17.20	1,886.84	109.70	109.70
79	46	46.00	5,046.20	109.70	109.70
80	15	15.00	1,645.50	109.70	109.70
82	169	168.00	18,429.60	109.70	109.70
83	38	38.00	4,168.60	109.70	109.70
84	40	40.00	4,388.00	109.70	109.70
85	90	90.00	9,873.00	109.70	109.70
86	40	40.00	4,388.00	109.70	109.70
87	33	33.00	3,620.10	109.70	109.70
88	1	0.83	91.05	109.70	109.70
89	90	90.00	9,873.00	109.70	109.70
90	3	118.64	13,014.79	109.70	109.70
92	1	35.60	3,905.32	109.70	109.70
95	16	0.00	0.00	0.00	109.70
96	106	106.00	11,628.20	109.70	109.70
97	92	92.00	10,092.40	109.70	109.70

District	Parcel Count[(1)]	EDUs per District	FY 2021/22 Assessment Amount	FY 2021/22 Assessment Rate per EDU	FY 2021/22 Maximum Assessment Rate per EDU
99	174	174.00	19,087.80	109.70	109.70
100	2	4.03	442.08	109.70	109.70
101	74	66.00	7,240.20	109.70	109.70
102	60	60.00	6,582.00	109.70	109.70
103	54	52.00	5,704.40	109.70	109.70
104	58	58.00	6,362.60	109.70	109.70
105	42	42.00	4,607.40	109.70	109.70
106	204	163.20	17,903.04	109.70	109.70
107	1	19.20	2,106.24	109.70	109.70
108	1	16.00	1,755.20	109.70	109.70
109	1	16.00	1,755.20	109.70	109.70
110	5	32.00	3,510.40	109.70	109.70
111	59	0.00	0.00	0.00	109.70
113	1	14.56	1,597.23	109.70	109.70
114	28	28.00	3,071.60	109.70	109.70
115	50	50.00	5,485.00	109.70	109.70
117	2	45.00	4,936.50	109.70	109.70
120	3	39.48	4,330.95	109.70	109.70
121	1	0.00	0.00	0.00	109.70
122	62	62.00	6,801.40	109.70	109.70
123	117	117.00	12,834.90	109.70	109.70
125	1	23.00	2,523.10	109.70	109.70
126	2	22.00	2,413.40	109.70	109.70
127	1	96.00	10,531.20	109.70	109.70
128	8	0.00	0.00	0.00	109.70
129	1	0.00	0.00	0.00	109.70
134	2	17.00	1,864.89	109.70	109.70
135	1	38.28	4,199.31	109.70	109.70
136	1	6.40	702.08	109.70	109.70
137	1	18.60	2,040.42	109.70	109.70
139	8	0.00	0.00	0.00	109.70
140	17	343.20	34,652.85	100.97	100.97
141	17	186.72	20,483.11	109.70	109.70
144	94	93.00	10,202.10	109.70	109.70
146	3	16.52	1,812.23	109.70	109.70
149	1	7.76	851.27	109.70	109.70
152	1	20.44	2,242.26	109.70	109.70
154	8	43.80	4,804.82	109.70	109.70
Total District No. 1	**6,535**	**8,692.55**	**$950,576.05**		
District No. 4					
155	1	73.60	$8,073.92	$109.70	$109.70
156	1	3.92	420.53	107.28	107.28
157	1	0.00	0.00	0.00	105.10
158	4	0.00	0.00	0.00	109.13
159	2	72.28	7,887.91	109.13	109.13
160	2	0.00	0.00	0.00	109.70
161	3	171.10	18,369.28	107.36	107.36

District	Parcel Count[(1)]	EDUs per District	FY 2021/22 Assessment Amount	FY 2021/22 Assessment Rate per EDU	FY 2021/22 Maximum Assessment Rate per EDU
162	1	5.28	579.26	109.71	109.71
163	1	3.76	412.50	109.71	109.71
164	13	186.70	20,374.56	109.13	109.13
165	2	0.00	0.00	0.00	109.13
166	4	37.28	4,068.34	109.13	109.13
167	1	3.88	425.67	109.71	109.71
168	1	5.92	646.04	109.13	109.13
169	3	0.00	0.00	0.00	109.62
170	1	6.96	763.58	109.71	109.71
172	4	21.08	2,312.67	109.71	109.71
173	1	61.44	6,741.19	109.72	109.72
174	2	76.55	8,398.29	109.71	109.71
175	2	121.82	13,042.04	107.06	107.06
178	1	14.72	1,614.93	109.71	109.71
180	1	6.88	754.87	109.72	109.72
184	11	47.05	5,162.32	109.72	109.72
193	1	6.44	699.96	108.69	108.69
Total District No. 4	**64**	**926.66**	**$100,747.86**		
District No. 2					
800	1,453	1,417.00	$152,582.56	$107.68	$107.68
801	4	63.24	6,797.04	107.48	107.48
Total District No. 2	**1,457**	**1,480.24**	**$159,379.59**		
District No. 3					
900	48	44.00	$61,948.92	$1,407.93	$1,407.93
Total District No. 3	**48**	**44.00**	**$61,948.92**		
District No. 5					
91616	32,790	34,901.50	$2,866,458.85	$82.13	$82.13
Total District No. 5	**32,790**	**34,901.50**	**$2,866,458.85**		
TOTAL ALL SLMDs	**40,894**	**46,044.95**	**$4,139,111.27**		

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

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS**

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2021-047, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE TO ADOPT A LIST OF PROJECTS FOR FISCAL YEAR 2021-2022 FUNDED BY SB 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017, THE CITY IS ESTIMATING TO RECEIVE APPROXIMATELY $2,908,159.**

ISSUE

Adopt Resolution No. CC 2021-047 to adopt a list of projects for Fiscal Year 2021-2022 to be funded by SB 1: The Road Repair and Accountability Act of 2017.

RECOMMENDATION

Staff recommends that the City Council adopt Resolution No. CC 2021-047 to adopt a list of projects for Fiscal Year 2021-2022 to be funded by SB 1: Road Repair and Accountability Act of 2017.

BACKGROUND

On April 28, 2017 the Governor signed Senate Bill (SB) 1 (Beall, Chapter 5, Statutes of 2017), which is known as the Road Repair and Accountability Act of 2017. To address basic road maintenance, rehabilitation and critical safety needs on both the state highway and local streets and road system, SB 1 increases per gallon fuel excise taxes; increases diesel fuel sales taxes and vehicle registration fees; and provides for inflationary adjustments to tax rates in future years.

Beginning November 1, 2017, the State Controller (Controller) began depositing various portions of this new funding into the newly created Road Maintenance and Rehabilitation Account (RMRA). A percentage of this new RMRA funding will be apportioned by formula to eligible cities and counties pursuant to Streets and Highway Code (SHC) Section 2032(h) for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system.

SB 1 emphasizes the importance of accountability and transparency in the delivery of California's transportation programs. Therefore, in order to be eligible for RMRA funding the statutes require cities and counties to provide basic RMRA project reporting to the California Transportation Commission (Commission).

DISCUSSION

Prior to receiving an apportionment of RMRA funds from the Controller in a fiscal year, a city or county must submit to the Commission a list of projects proposed to be constructed with these funds. All projects proposed to receive funding must be included in a city or county budget that is adopted by the applicable city council or county board of supervisors at a regular public meeting [SHC 2032(a)(1)].

In accordance with the above requirement, for FY 2020-2021, the allocated amount of $2,908,159 will be budgeted in the City's Capital Improvement budget and will be used for the project listed below:

Rancho Vista Blvd. and Armfield Signal & Intersection Safety Improvement
2021-2022 Overlay and Grinding Pavement Resurfacing Program

- Palmdale Blvd (47th East – 80th East)
- Avenue N (40th – 45th East)
- 40th St. East (Avenue N to Ave N-8)

FISCAL IMPACT

In FY 2021-2022 the City is estimating approximately $2,908,159 in Road Maintenance and Rehabilitation Funds (RMRA) funds. These funds can be used for local streets and roads for basic road maintenance and road rehabilitation projects, safety projects, railroad grade separations, traffic control devices and complete street components. Once a project is established and meets the criteria, an account number will be assigned along with the appropriate funding.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community viability.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan P.E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

Resolution No. CC 2021-047

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2021-047

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2021-2022 FUNDED BY SB 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and Signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS*,* SB 1 includes accountability and transparency provisions that will ensure the residents of our City of Palmdale are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS*,* the City of Palmdale must adopt by resolution a list of projects proposed to receive fiscal year funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City of Palmdale, will receive an estimated $2,908,159 in RMRA funding in Fiscal Year 2021-2022 from SB 1; and

WHEREAS, this is the fourth year in which the City of Palmdale is receiving SB 1 funding and will enable the City of Palmdale to continue essential road maintenance and rehabilitation projects, safety improvements, repairing and replacing aging bridges, and increasing access and mobility options for the traveling public that would not have otherwise been possible without SB 1; and

WHEREAS, the City of Palmdale has undergone a robust public process to ensure public input into our community's transportation priorities/the project list; and

WHEREAS, the City of Palmdale is using a Pavement Management System to develop the SB1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the communities priorities for transportation investment; and

WHEREAS, the funding from SB 1 will help the City of Palmdale maintain and rehabilitate 172 street segments (approximately 4.5 million square feet of roadway) throughout the City of Palmdale this year in accordance with the City of Palmdale's Pavement Resurfacing Program and similar projects into the future; and

WHEREAS, the 2018 California Statewide Local Streets and Roads Needs Assessment found that the City of Palmdale streets and roads are in an "at risk" condition and this revenue will help us increase the overall quality of our road system and over the next decade will get us out of the "at risk" category and bring the City into a more cost effective preventative maintenance condition; and

WHEREAS, the SB 1 project list and overall investment in our local streets and roads infrastructure with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will have significant positive co-benefits statewide.

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's 2021-2022 Capital Improvement Budget incorporates the following list of projects planned to be funded with Road Maintenance and Rehabilitation Account revenues:

Project Title	**Project Location**	**Estimated Completion**	**Estimated Useful Life**
Rancho Vista Blvd and Armfield Signal & Intersection Safety Improvement	Rancho Vista Blvd and Armfield Avenue Intersection	June 2022	25 years
2021-2022 Overlay and Grinding Pavement Resurfacing Program	Palmdale Blvd (47th East – 80th East) Avenue N (40th East – 45th East) 40th St. East (Avenue N to Ave N-8)	June 2022	5-10 years

SECTION 3. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this _____ day of _____, _____.

_____
Approved as to form: Steven D. Hofbauer, Mayor

ATTEST:

_____ _____
Christopher L. Beck Shanae S. Smith, City Clerk
City Attorney

I, Shanae S. Smith, 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 1st day of June, 2021 by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Shanae S. Smith, City Clerk

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **3**

SUBJECT: **NOTICE OF COMPLETION – ACCEPT PUBLIC IMPROVEMENTS FOR THE IGLESIA DE CRISTO MIEL CHURCH EXPANSION LOCATED AT 1675 EAST AVENUE Q-15, NEAR 17TH STREET EAST AND AVENUE R**

ISSUE

Notice of Completion – Accept Public Improvements for the Iglesia de Cristo Miel Church Expansion located at 1675 East Avenue Q-15.

RECOMMENDATION

Staff recommends that the City Council:

1. Accept the completed public improvements and grant authorization to file a Notice of Completion and release the security for the completed public improvements for the projects listed in Exhibit "A".
2. Authorize the City Manager or his designee to file a Notice of Completion

BACKGROUND

This project consisted of public street improvements. The public improvements have been installed per the approved construction plan, inspected, and approved by City Public Works inspection staff.

DISCUSSION

The required public improvements for the project listed in Exhibit "A" have been completed to the satisfaction of the City Engineer as required in the Subdivision/Development Improvement Agreement between the developer and the City. This council action will accept the public improvements as complete and will begin a one-year period, thereafter transferring maintenance responsibility of these improvements from the developer, to the City of Palmdale. This council action will also initiate the City's release of applicable securities posted for this project in accordance with the City's subdivision regulations. This action is being taken pursuant to Section 16.110.060 of the City's Municipal Code.

FISCAL IMPACT

The City's maintenance costs will incrementally increase as a result of acceptance of these improvements.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan, P.E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Exhibit A – List of Completed Public Improvements
2. Notice of Completion – Iglesia de Cristo Miel Church Expansion Street Improvements

EXHIBIT A
LIST OF COMPLETED PUBLIC IMPROVEMENTS

Tract/Parcel	Plan #	Quantity	Security
Street Improvements	ST 17-27	952 LF	$174,200

RECORDING REQUESTED BY:

CITY OF PALMDALE

WHEN RECORDED MAIL TO:

CITY OF PALMDALE
OFFICE OF THE CITY CLERK
38300 SIERRA HIGHWAY, SUITE C
PALMDALE, CA 93550

Space above this line is for Recorder's Use

NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 3093, is hereby given that:

1. The undersigned is owner or corporate officer of the interest or estate stated below in the property hereinafter described.
2. The full name of the owner is City of Palmdale, a Municipal Corporation.
3. The full address of the owner is 38300 Sierra Highway, Palmdale, CA 93550.
4. The nature of interest or estate of the owner is: **Street Improvements-Iglesia de Cristo Miel Church Expansion,**
5. A work of improvement on the property hereinafter described was completed on **April 22, 2021**
6. The work done was: "**Street Improvements-Iglesia de Cristo Miel Church Expansion**",
7. The name of the Contractor for such work of improvement: **Iglesia de Cristo Miel**
8. The property on which said work of improvement was completed is in the City of Palmdale, County of Los Angeles, State of California, and is described as follows: **Northwest corner of Avenue Q-15 and 15th Street East**
9. The address of said property is: **1675 East Avenue Q-15**

Dated: June 1, 2021

CITY OF PALMDALE

Guillermo I. Padilla, City Engineer

VERIFICATION

I, the undersigned, say: I am the City Engineer, the declarant of the foregoing notice of completion; I have read the said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 1, 2021, in the City of Palmdale, California.

Guillermo I. Padilla, City Engineer

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **2**

SUBJECT: **NOTICE OF COMPLETION – ACCEPT PUBLIC IMPROVEMENTS FOR TRACT 60209 LOCATED AT THE SOUTHWEST CORNER OF AVENUE M AND 70TH STREET WEST**

ISSUE

Notice of Completion – Accept Public Improvements for Tract 60209 located at the southwest corner of Avenue M and 70th Street West.

RECOMMENDATION

Staff recommends that the City Council:

1. Accept the completed public improvements and grant authorization to file a Notice of Completion and release the security for the completed public improvements for the projects listed in Exhibit "A".
2. Authorize the City Manager or his designee to file a Notice of Completion.

BACKGROUND

This project consisted of public street improvements on Avenue M, 70th Street West and within the tract. The public improvements have been installed per the approved construction plan, inspected, and approved by City Public Works inspection staff.

DISCUSSION

The required public improvements for the project listed in Exhibit "A" have been completed to the satisfaction of the City Engineer as required in the Subdivision/Development Improvement Agreement between the developer and the City. This council action will accept the public improvements as complete and will begin a one-year period, thereafter transferring maintenance responsibility of these improvements from the developer, to the City of Palmdale. This council action will also initiate the City's release of applicable securities posted for this project in accordance with the City's subdivision regulations. This action is being taken pursuant to Section 16.110.060 of the City's Municipal Code.

FISCAL IMPACT

The City's maintenance costs will incrementally increase as a result of acceptance of these improvements.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan, P.E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Exhibit A – List of Completed Public Improvements
2. Notice of Completion – Tract 60209 Street Improvements

EXHIBIT A
LIST OF COMPLETED PUBLIC IMPROVEMENTS

Tract/Parcel	Plan #	Quantity	Security
Tract 60209	ST 05-04	5,096.61 LF	$611,000

RECORDING REQUESTED BY:

CITY OF PALMDALE

WHEN RECORDED MAIL TO:

CITY OF PALMDALE
OFFICE OF THE CITY CLERK
38300 SIERRA HIGHWAY, SUITE C
PALMDALE, CA 93550

Space above this line is for Recorder's Use

NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 3093, is hereby given that:

1. The undersigned is owner or corporate officer of the interest or estate stated below in the property hereinafter described.
2. The full name of the owner is City of Palmdale, a Municipal Corporation.
3. The full address of the owner is 38300 Sierra Highway, Palmdale, CA 93550.
4. The nature of interest or estate of the owner is: **Street Improvements-Tract 60209,**
5. A work of improvement on the property hereinafter described was completed on **March 17, 2021**
6. The work done was: "**Street Improvements-Tract 60209**",
7. The name of the Contractor for such work of improvement: **Pacific Communities Builder, Inc**
8. The property on which said work of improvement was completed is in the City of Palmdale, County of Los Angeles, State of California, and is described as follows: **70th Street West and Avenue M**
9. The address of said property is: **Tract 60209**

Dated: June 1, 2021

CITY OF PALMDALE

Guillermo I. Padilla, City Engineer

VERIFICATION

I, the undersigned, say: I am the City Engineer, the declarant of the foregoing notice of completion; I have read the said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 1, 2021, in the City of Palmdale, California.

Guillermo I. Padilla, City Engineer

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **2**

SUBJECT: **NOTICE OF COMPLETION – ACCEPT PUBLIC IMPROVEMENTS FOR A NEW INDUSTRIAL BUILDING LOCATED AT 650 SAINT ANDREWS WAY, NEAR AVENUE O AND 10TH STREET WEST**

ISSUE

Notice of Completion – Accept Public Improvements for a new industrial building located at 650 Saint Andrew Way.

RECOMMENDATION

Staff recommends that the City Council:

1. Accept the completed public improvements and grant authorization to file a Notice of Completion and release the security for the completed public improvements for the projects listed in Exhibit "A".
2. Authorize the City Manager or his designee to file a Notice of Completion.

BACKGROUND

This project consisted of public street and drainage improvements. The public improvements have been installed per the approved construction plan, inspected, and approved by City Public Works inspection staff.

DISCUSSION

The required public improvements for the project listed in Exhibit "A" have been completed to the satisfaction of the City Engineer as required in the Subdivision/Development Improvement Agreement between the developer and the City. This council action will accept the public improvements as complete and will begin a one-year period, thereafter transferring maintenance responsibility of these improvements from the developer to the City of Palmdale. This council action will also initiate the City's release of applicable securities posted for this project in accordance with the City's subdivision regulations. This action is being taken pursuant to Section 16.110.060 of the City's Municipal Code.

FISCAL IMPACT

The City's maintenance costs will incrementally increase as a result of acceptance of these improvements.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan, P.E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Exhibit A – List of Completed Public Improvements
2. Notice of Completion – Project 18-27 Street and Drainage Improvements

EXHIBIT A
LIST OF COMPLETED PUBLIC IMPROVEMENTS

Tract/Parcel	Plan #	Quantity	Security
Street Improvements	GD 18-27	137 LF	$14,500
Drainage Improvements	GD 18-27	2 Parkway Drains	$6,400

RECORDING REQUESTED BY:

CITY OF PALMDALE

WHEN RECORDED MAIL TO:

CITY OF PALMDALE
OFFICE OF THE CITY CLERK
38300 SIERRA HIGHWAY, SUITE C
PALMDALE, CA 93550

Space above this line is for Recorder's Use

NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 3093, is hereby given that:

1. The undersigned is owner or corporate officer of the interest or estate stated below in the property hereinafter described.
2. The full name of the owner is City of Palmdale, a Municipal Corporation.
3. The full address of the owner is 38300 Sierra Highway, Palmdale, CA 93550.
4. The nature of interest or estate of the owner is: **Street and Drainage Improvements-New Industrial Building,**
5. A work of improvement on the property hereinafter described was completed on **March 17, 2021**
6. The work done was: "**Street and Drainage Improvements-New Industrial Building**",
7. The name of the Contractor for such work of improvement: **Andrew Eliopulos/ST Andrews LLC**
8. The property on which said work of improvement was completed is in the City of Palmdale, County of Los Angeles, State of California, and is described as follows: **Southeast corner of St. Andrews Way and Jody Lane**
9. The address of said property is: **650 Saint Andrews Way**

Dated: June 1, 2021

CITY OF PALMDALE

Guillermo I. Padilla, City Engineer

VERIFICATION

I, the undersigned, say: I am the City Engineer, the declarant of the foregoing notice of completion; I have read the said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 1, 2021, in the City of Palmdale, California.

Guillermo I. Padilla, City Engineer

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **IV**

SUBJECT: **NOTICE OF COMPLETION - ACCEPT COMPLETED CAPITAL PROJECT NO. 816, 40TH STREET EAST REHABILITATION PROJECT (EAST AVENUE S-4 TO NOLL DRIVE).**

ISSUE

Notice of Completion - Accept completed Capital Project No. 816, 40th Street East Rehabilitation Project. (East Avenue S-4 to Noll Drive).

RECOMMENDATION

Staff recommends that the City Council:

1. Accept the completion of Capital Project No. 816, 40th Street East Rehabilitation Project (East Avenue S-4 to Noll Drive); and
2. Authorize the City Manager or his designee to file a Notice of Completion.

BACKGROUND

This Public Works project provided for pavement rehabilitation of 40th Street East between East Avenue S-4 Street and Noll Drive. The existing pavement was distressed significantly and required immediate attention. The project addressed the pavement structural section and the widening of 40th Street East to two (2) lanes in the southbound direction along with restriping.

DISCUSSION

All construction work for this project has been completed. To release retention for Project No. 812 (five percent of each progress payment), it is necessary for the City Council to accept the project and for a Notice of Completion to be filed.

FISCAL IMPACT

Funds for this project are budgeted in Account No. S0080204-724525. The original total budget was $221,400 which included costs for design, construction, and administration. The total project cost is $167,125 which is substantially under the original budget. Thirty-

five (35) days after the Notice of Completion is filed, the retention for the project will be released.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan, P.E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

Notice of Completion

RECORDING REQUESTED BY:

CITY OF PALMDALE

WHEN RECORDED MAIL TO:

CITY OF PALMDALE
OFFICE OF THE CITY CLERK
38300 Sierra Highway, Suite C
Palmdale, CA 93550

Space Above This Line for Recorder's Use

NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 3093, is hereby given that:

1. The undersigned is owner or corporate officer of the interest or estate stated below in the property hereinafter described.
2. The full name of the owner is City of Palmdale, a Municipal Corporation.
3. The full address of the owner is 38300 Sierra Highway, Palmdale, CA 93550.
4. The nature of interest or estate of the owner is: Fee - Roadway improvements
5. A work of improvement on the property hereinafter described was completed on May10th, 2021
6. The work done was: "40th Street East Rehabilitation Project, PN 816".
7. The name of the Contractor for such work of improvement: R.C. Becker & Son
8. The property on which said work of improvement was completed is in the City of Palmdale, State of California, and is described 40th Street East.
9. The address of said property is: 40th Street East Rehabilitation Project (East Avenue S-4 to Noll Drive).

Dated: June 1, 2021

City of Palmdale

Chuck Heffernan, Director of Public Works

VERIFICATION

I, the undersigned, say: I am the Director of Public Works, the declarant of the foregoing notice of completion; I have read the said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 1, 2021 in the City of Palmdale, California.

Chuck Heffernan, Director of Public Works

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **2**

SUBJECT: **APPROVE FINAL TRACT MAP NO. 82636-01 (LOCATED AT THE NORTHWEST CORNER OF RANCHO VISTA BLVD AND 15TH STREET WEST)**

ISSUE

The City Council to provide approval of Final Tract Map No. 82636-01 and authorize the City Clerk to execute the City Clerk's Statement and Special Assessments Statement and authorize the Acting City Surveyor to execute the City Surveyor's Statement and file the map with the County Recorder.

RECOMMENDATION

Staff recommends that the City Council approve Final Tract Map No. 82636-01 and authorize the City Clerk to execute City Clerk's Statement and Special Assessments Statement and authorize the Acting City Surveyor to execute the City Surveyor's Statement and file the map with the County Recorder.

BACKGROUND

Final Tract Map No. 82636-01 is a 20.55-acre subdivision, creating two (2) lots (one commercial and one residential lot). All proposed lot sizes and dimensions comply with the City's Zoning Ordinance and Plan Development 19-001. The subject property is located at the northwest corner of Rancho Vista Blvd and 15th Street West. The applicant for this final tract map is Epic Mortgage Corporation, a California Corporation. This tentative tract map was originally approved by the Planning Commission on July 11, 2019, by Resolution No. PC-2019-027. A major modification No. 1 to phase the tentative tract map into 3 different phases was later approved by Planning Commission on May 13, 2021 by Resolution No. PC 2021-012.

This final tract map is consistent with the tentative tract map and all final map conditions of approval for phase 1 have been met. A Deferred Improvement Agreement has been filed with the City Engineer in accordance with Palmdale Municipal Code Section 16.110.030. The Acting City Land Surveyor has reviewed the final map for technical accuracy and verifies it is in compliant with the Subdivision Map Act.

Staff recommends that the City Council approve final Tract Map No. 82636-01.

FISCAL IMPACT

There is no fiscal impact associated with this action.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

A. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan P.E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Final Tract Map No. 82636-01

TRACT NO. 82636-01

IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES,
STATE OF CALIFORNIA
BEING A SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 16, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND APPROVED BY THE SURVEY GENERAL ON SEPTEMBER 3, 1855, FILED WITH THE BUREAU IN SACRAMENTO, CALIFORNIA.

PHASE 1 OF TENTATIVE TRACT MAP NO. 82636
TENTATIVE MAP EXPIRES JULY 23, 2022

ANTELOPE VALLEY ENGINEERING, INC.
W.R. GORMAN L.S. 8767

2 LOTS

20.55 ACRES

OWNER'S STATEMENT

WE HEREBY STATE THAT WE ARE THE OWNERS OF OR ARE INTERESTED IN THE LANDS INCLUDED WITHIN THE SUBDIVISION SHOWN ON THE MAP WITHIN THE DISTINCTIVE BORDER LINES, AND THAT WE CONSENT TO THE PREPARATION AND FILING OF SAID MAP AND SUBDIVISION.

WE FURTHER STATE THAT, EXCEPT AS SHOWN ON THE MAP, WE KNOW OF NO EASEMENT OR STRUCTURE EXISTING WITHIN THE EASEMENTS HEREIN OFFERED FOR DEDICATION TO THE PUBLIC, OTHER THAN PUBLICLY OWNED WATER LINES, SEWERS OR STORM DRAINS, THAT WE WILL GRANT NO RIGHT OR INTEREST WITHIN THE BOUNDARIES OF SAID EASEMENTS OFFERED TO THE PUBLIC, EXCEPT WHERE SUCH RIGHT OR INTEREST IS EXPRESSLY MADE SUBJECT TO THE SAID EASEMENTS.

WE HEREBY OFFER TO DEDICATE REAL PROPERTY TO THE CITY OF PALMDALE:

THE EASEMENT FOR PUBLIC PURPOSES FOR DRAINAGE AND MAINTENANCE PURPOSES SO DESIGNATED ON SAID MAP AND ALL USES INCIDENT THERETO, INCLUDING THE RIGHT TO MAINTAIN THE IMPROVEMENTS AND MAKE CONNECTIONS THEREWITH FROM ANY ADJOINING PROPERTIES.

EPIC MORTGAGE CORPORATION, A CALIFORNIA CORPORATION, OWNER

BY:

_____
STEVEN B. FINE, PRESIDENT

NOTARY ACKNOWLEDGMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) S.S.

ON_____, BEFORE ME,_____
A NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE, PERSONALLY APPEARED
_____STEVEN B. FINE_____
WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME IN HIS AUTHORIZED CAPACITY, AND THAT BY HIS SIGNATURE ON THE INSTRUMENT THE PERSON, OR THE ENTITY UPON BEHALF OF WHICH THE PERSON ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER **PENALTY OF PERJURY** UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND,

_____ _____ _____
SIGNATURE – NOTARY PUBLIC COMMISSION NO. COMMISSION EXPIRES

_____ _____ _____
PRINT NAME – NOTARY PUBLIC PRINCIPAL PLACE OF BUSINESS COUNTY

(NOTARY STAMP NOT REQUIRED PER GOVERNMENT CODE 66436)

SIGNATURE OMISSION NOTES

THE SIGNATURE OF THE CITY OF PALMDALE, SUCCESSOR IN INTEREST TO THE COUNTY OF LOS ANGELES, AS HOLDER OF EASEMENTS FOR PUBLIC ROAD AND HIGHWAY PURPOSES PER DOCUMENTS RECORDED FEBRUARY 14, 1962 AS INSTRUMENT NO. 5773 AND JANUARY 4, 1974 AS INSTRUMENT NO. 2872, BOTH OF OFFICIAL RECORDS, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (a)(3)(A)(i–viii) OF THE SUBDIVISION MAP ACT, AS THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF ATLANTIC RICHFIELD COMPANY AS HOLDER OF INTEREST IN OR RIGHTS TO OIL, GAS AND OTHER HYDROCARBON SUBSTANCES PER DOCUMENT RECORDED AUGUST 23, 1979 AS INSTRUMENT NO. 79–936301 OF OFFICIAL RECORDS, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (a)(3)(C) OF THE SUBDIVISION MAP ACT, AS THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

THE SIGNATURE OF NATHAN BERCOVITZ AND LUCILLE BERCOVITZ AS HOLDERS OF INTEREST IN OR RIGHTS TO OIL, GAS AND OTHER HYDROCARBON SUBSTANCES PER DOCUMENT RECORDED AUGUST 23, 1979 AS INSTRUMENT NO. 79–936302 OF OFFICIAL RECORDS, HAS BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436, SUBSECTION (a)(3)(C) OF THE SUBDIVISION MAP ACT, AS THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

DEFERRED IMPROVEMENTS STATEMENT

OFF–SITE IMPROVEMENTS SHALL BE DEFERRED IN ACCORDANCE WITH CITY OF PALMDALE MUNICIPAL CODE SECTION 16.110.030. A DEFERRED IMPROVEMENT AGREEMENT SHALL BE FILED WITH THE CITY ENGINEER. NO BUILDING PERMITS SHALL BE ISSUED WITHOUT FURTHER DIVISION OF THE LOTS AS SHOWN ON THE APPROVED TENTATIVE MAP.

SURVEYOR'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF STEVE FINE IN JANUARY 2019. I HEREBY STATE THAT THIS SUBDIVISION MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE TRACT MAP, IF ANY; THAT THE MONUMENTS OF THE CHARACTER AND LOCATIONS SHOWN HEREON ARE IN PLACE, OR WILL BE IN PLACE WITHIN TWENTY–FOUR MONTHS FROM THE FILING DATE OF THIS MAP; AND THAT SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED AND THAT TIE NOTES TO ALL CENTERLINE MONUMENTS SHOWN AS 'TO BE SET' WILL BE ON FILE IN THE OFFICE OF THE CITY ENGINEER WITHIN TWENTY–FOUR MONTHS FROM THE FILING DATE SHOWN HEREON.

PRELIMINARY-FOR REVIEW PURPOSES ONLY
W.R. GORMAN, L.S. 8767
EXPIRES: 12/31/2022

_____
DATE

LICENSED LAND SURVEYOR
W.R. GORMAN
Exp. 12/31/22
NO. 8767
STATE OF CALIFORNIA

CITY SURVEYOR'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP, THAT IT CONFORMS SUBSTANTIALLY TO THE TENTATIVE MAP AND ALL APPROVED ALTERATIONS THEREOF; THAT ALL PROVISIONS OF APPLICABLE STATE LAW AND SUBDIVISION ORDINANCES OF THE CITY OF PALMDALE APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP HAVE BEEN COMPLIED WITH; AND THAT I AM SATISFIED THAT THIS MAP IS TECHNICALLY CORRECT.

_____ _____
DATE: FREDERICK R. JONES JR.
ACTING CITY SURVEYOR

LICENSED LAND SURVEYOR
FREDERICK R. JONES JR.
NO. 5458
STATE OF CALIFORNIA

CITY CLERK'S STATEMENT

I, SHANNAE S. SMITH, CITY CLERK OF THE CITY OF PALMDALE, DO HEREBY STATE THAT THIS MAP WAS PRESENTED FOR APPROVAL TO THE CITY OF PALMDALE CITY COUNCIL AT A REGULAR MEETING THEREOF, HELD ON THE_____ DAY OF_____ 20___, AND THAT THEREUPON SAID COUNCIL DID, BY AN ORDER DULY PASSED AND ENTERED, APPROVE SAID MAP; AND ON BEHALF OF THE PUBLIC SAID COUNCIL DID ACCEPT THE DRAINAGE EASEMENT SO OFFERED ON SAID MAP.

_____ _____
DATE: SHANNAE S. SMITH
CITY CLERK – CITY OF PALMDALE

SPECIAL ASSESSMENT STATEMENT

I HEREBY STATE THAT ALL SPECIAL ASSESSMENTS LEVIED UNDER THE JURISDICTION OF THE CITY OF PALMDALE TO WHICH THE LAND INCLUDED IN THE WITHIN SUBDIVISION OR ANY PART THEREOF IS SUBJECT, AND WHICH MAY BE PAID IN FULL, HAVE BEEN PAID IN FULL.

_____ _____
DATE: SHANNAE S. SMITH
CITY CLERK – CITY OF PALMDALE

BASIS OF BEARINGS

THE BEARINGS SHOWN HEREON ARE BASED ON THE BEARING OF NORTH 89°44'53" EAST BEING THE SOUTHERLY LINE OF THE SOUTHWEST QUARTER OF SECTION 16, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN (CENTERLINE OF RANCHO VISTA BLVD – FORMERLY AVENUE P) AS SHOWN ON RECORD OF SURVEY MAP FILED IN BOOK 284, PAGE 42, IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY.

SOILS REPORT NOTE

IN ACCORDANCE WITH SECTION 66434.5 OF THE SUBDIVISION MAP ACT, A SOILS REPORT WAS PREPARED ON APRIL 5, 2019 BY EARTH SYSTEMS, FILE NO. 302294–001, AND IS ON FILE IN THE OFFICE OF THE CITY ENGINEER.

MONUMENTATION NOTE

SPIKE AND WASHER TAGGED "L.S. 8767" TO BE SET DOWN 0.04' AS SHOWN ON MAP.

LOS ANGELES COUNTY CERTIFICATIONS AND SEALS:

I HEREBY CERTIFY THAT ALL CERTIFICATES HAVE BEEN FILED AND DEPOSITS HAVE BEEN MADE THAT ARE REQUIRED UNDER THE PROVISIONS OF SECTIONS 66492 AND 66493 OF THE SUBDIVISION MAP ACT.

EXECUTIVE OFFICER – CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

BY _____ DATE _____
DEPUTY

I HEREBY CERTIFY THAT SECURITY IN THE AMOUNT OF $_____ HAS BEEN FILED WITH THE EXECUTIVE OFFICER, BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AS SECURITY FOR THE PAYMENT OF TAXES AND SPECIAL ASSESSMENTS COLLECTED AS TAXES ON THE LAND SHOWN ON MAP OF TRACT NO. 82636–01 AS REQUIRED BY LAW.

EXECUTIVE OFFICER – CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

BY _____ DATE _____
DEPUTY

SCALE 1"=200'

TRACT NO. 82636-01

SHEET 2 OF 3 SHEETS

IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES,
STATE OF CALIFORNIA

W.R. GORMAN L.S. 8767

2 LOTS

20.55 ACRES

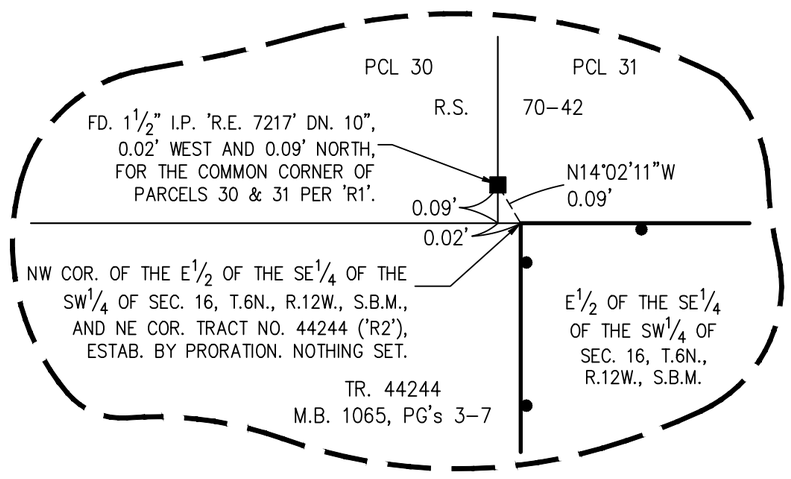
SURVEY DETAIL & INDEX MAP

W1/4 COR. SEC. 16, T.6N., R.12W., S.B.M., FD. C.S. MON. IN WELL, DN 14", PER 'R1'

C/L AVENUE O-8

FD. SPIKE & WASHER 'R.C.E. 30651', DN. 1", PER 'R1'. ACCEPTED AS CENTER OF SECTION 16, T.6N., R.12W., S.B.M.

[1334.28'] (1334.11'-'R3') [N89°21'32"E 2668.57'] (2668.58'-'R2') (2668.22'-'R2) [1334.29'] (1334.11'-'R3')



DETAIL '1'
NOT TO SCALE

[1333.12'] (1331.11'-'R2'*)(1332.92'-'R3') [1337.66'] (1337.44'-'R3') [1342.19'] (1342.20'-'R2')(1341.96'-'R3') UNINCORPORATED COUNTY OF LOS ANGELES CITY OF PALMDALE

FD. SPIKE & L.A. CO. D.P.W. WASHER FLUSH PER 'R1'. ACCEPTED AS THE NE COR. OF THE SE1/4 OF THE SW1/4 OF SEC. 16, T.6N., R.12W., S.B.M.

SEE DETAIL '1' HEREON

AVENUE O-12 (FUTURE STREET)

LOT 30 R.S. 70-42 | LOT 31 R.S. 70-42 | LOT 32 R.S. 70-42

[1334.99'] (1334.99'-'R2')(1334.78'-'R3') UNINCORPORATED COUNTY OF LOS ANGELES [N89°33'13"E 2669.98'] (2669.98'-'R2')(2669.56'-'R3') [1334.99'] (1334.99'-'R2') (1334.78'-'R3') (2683.92'-'R3')

[667.50'] (667.50'-'R2')(667.39'-'R3') CITY OF PALMDALE [667.49'] (667.49'-'R2')(667.39'-'R3')

C/L 20TH STREET WEST

[N00°04'51"W 2666.25'] (2666.23'-'R2')(2665.84'-'R3')

FD. SPIKE & L.A. CO. D.P.W. WASHER FLUSH PER L.A. CO. P.W.F.B. 3323-375. ACCEPTED AS THE NW COR. OF THE SW1/4 OF THE SW1/4 OF SEC. 16, T.6N., R.12W., S.B.M.

N'LY LINE SE1/4 SW1/4 SEC. 16, T.6N., R.12W., S.B.M., & S'LY LINE LOTS 31 & 32 R.S. 70-42.

[1333.13'] (1331.12'-'R2'*)(1332.92'-'R3') [1337.66'] (1336.66'-'R2'**) [N00°06'45"W 2675.32'] [N00°07'41"W 1339.92'] (1339.43'-'R2'***) [N00°08'38"W 2684.38'] (2684.40'-'R2') [1342.19'] (1342.20'-'R2')(1341.96'-'R3')

W'LY LINE SE1/4 SW1/4 SEC. 16, T.6N., R.12W., S.B.M., & E'LY LINE TRACT NO. 44244, M.B. 1065, PG's 3-7

TRACT NO. 44244 M.B. 1065 PG's 3 - 7

E1/2 SE1/4 SW1/4 SEC. 16, T.6N., R.12W., S.B.M.

SEE SHEET 3

C/L 15TH STREET WEST

1

S&W PER 'R1', NOT FD. (NEW PAVEMENT). ESTABLISHED BY PRORATION.

[667.85'] (667.85'-'R2') [667.85'] (667.84'-'R2')

[1335.71'] (1335.69'-'R2') [N89°44'53"E 2671.41'] (2671.38'-'R2')(2670.88'-'R3') [1335.70'] (1335.69'-'R2')

C/L RANCHO VISTA BOULEVARD (AVENUE P)

SW COR. SEC. 16, T.6N., R.12W., S.B.M., FD. C.S. MON. IN WELL, DN 13", PER 'R1'

S1/4 COR. SEC. 16, T.6N., R.12W., S.B.M., FD. C.S. MON. IN WELL, DN 18", PER 'R1'

NOTES:

* THE DISTANCES OF 1331.12' AND 1331.11' FOR THE CENTERLINE OF 20TH STREET WEST AS SHOWN ON SHEET 2 OF TRACT NO. 44244 ('R2') APPEAR TO BE INCORRECT. THE SUM EQUALING 2662.23' DOES NOT MATCH THE OVERALL DISTANCE OF 2666.23' SHOWN ON SAID SHEET. THESE DISTANCES SHOULD HAVE READ 1333.12' AND 1333.11' RESPECTIVELY.

** THE DISTANCE OF 1336.66' FOR THE WEST LINE OF TRACT NO. 44244 ('R2') AS SHOWN ON SHEETS 2 THRU 5 OF SAID MAP APPEARS TO BE INCORRECT DUE TO THE ERROR ALONG 20TH STREET WEST AS NOTED ABOVE. THIS DISTANCE SHOULD BE 1337.66'.

*** THE DISTANCE OF 1339.43' FOR THE EAST LINE OF TRACT NO. 44244 ('R2') AS SHOWN ON SHEETS 2 THRU 5 OF SAID MAP APPEARS TO BE INCORRECT DUE TO THE ERROR ALONG 20TH STREET WEST AS NOTED ABOVE. THIS DISTANCE SHOULD BE 1339.93'.

MONUMENT LEGEND

- ■ INDICATES FOUND MONUMENT AS DESCRIBED
- ⊙ INDICATES SPIKE AND WASHER "L.S. 8767" TO BE SET DOWN 0.04'.
- Ⓟ INDICATES SEARCHED, NOTHING FOUND, ESTABLISHED BY PRORATION. NOTHING SET.
- Ⓘ INDICATES SEARCHED, NOTHING FOUND, ESTABLISHED BY INTERSECTION. NOTHING SET.

LEGEND

- 'R1' INDICATES R.S. 284-42
- 'R2' INDICATES TRACT NO. 44244, M.B. 1065, PG's 3-7
- 'R3' INDICATES R.S. 70-42
- [ ] INDICATES RECORD & MEASURED DATA PER 'R1'
- ( ) INDICATES RECORD DISTANCE PER INDICATED REFERENCE

INDICATES THE BOUNDARY OF THE LAND BEING SUBDIVIDED BY THIS MAP.

SCALE 1"=80'

TRACT NO. 82636-01

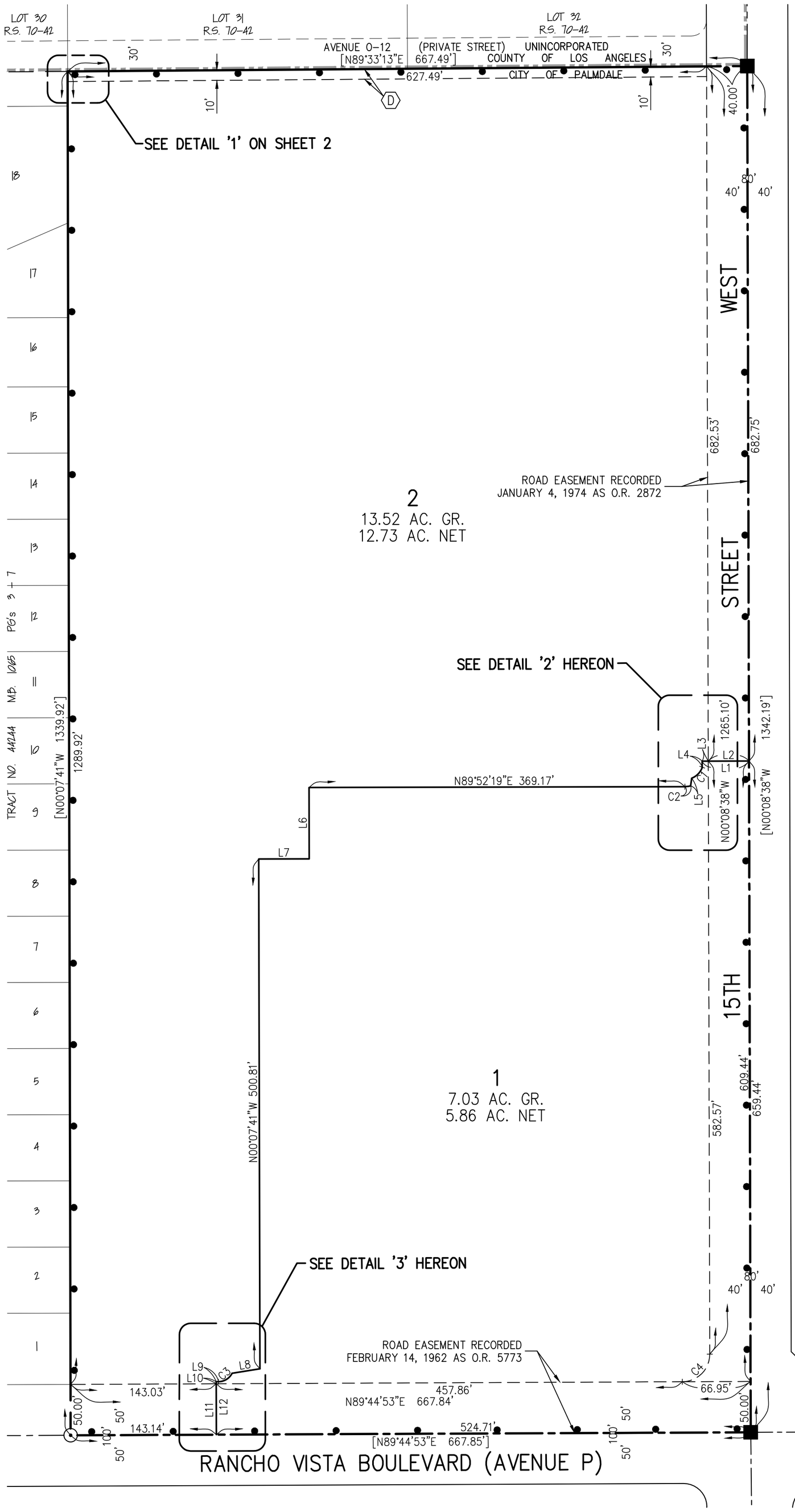
SHEET 3 OF 3 SHEETS

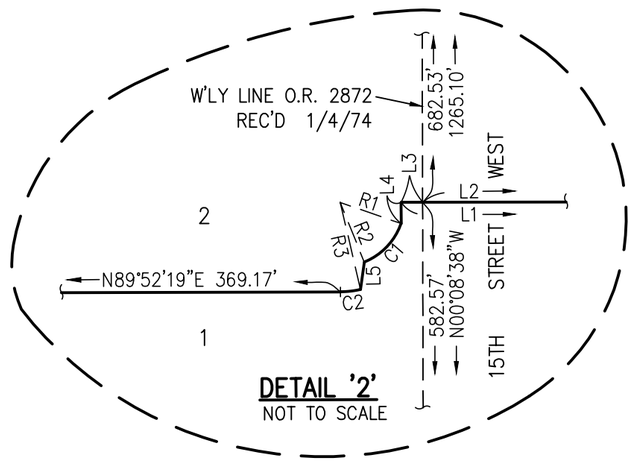
IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES,
STATE OF CALIFORNIA

W.R. GORMAN L.S. 8767

2 LOTS

20.55 ACRES



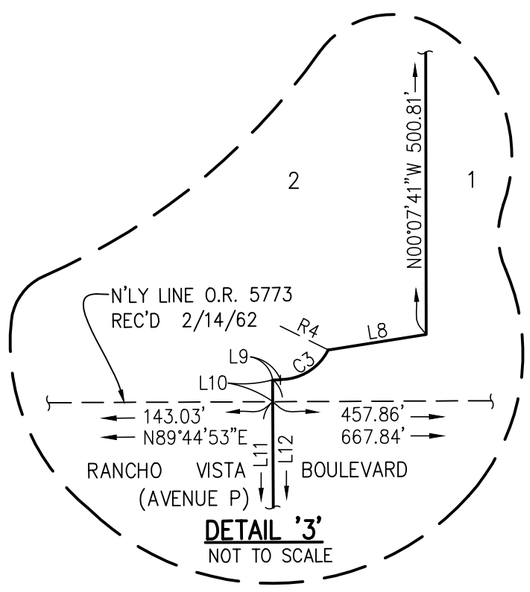


DETAIL '2'
NOT TO SCALE

RADIAL LINE DATA TABLE	
L#	BEARING
R1	S70°57'20"E
R2	S21°56'14"E
R3	S13°02'15"E
R4	S63°41'46"E

LINE DATA TABLE		
L#	BEARING	DISTANCE
L1	N89°51'22"E	46.00'
L2	N89°51'22"E	40.00'
L3	N89°51'22"E	6.00'
L4	N00°08'38"W	5.92'
L5	N08°03'46"E	7.74'
L6	N00°7'41"W	70.16'
L7	N89°52'19"E	49.50'
L8	N81°00'56"E	27.69'
L9	N89°44'53"E	2.21'
L10	N00°15'07"W	2.00'
L11	N00°15'07"W	50.00'
L12	N00°15'07"W	52.00'

CURVE DATA TABLE				
C#	DELTA	RADIUS	LENGTH	TANGENT
C1	49°01'06"	18.00'	15.40'	8.21'
C2	12°54'34"	25.00'	5.63'	2.83'
C3	63°26'39"	15.00'	16.61'	7.55'
C4	89°53'31"	27.00'	42.36'	26.94'



DETAIL '3'
NOT TO SCALE

GRANTED EASEMENTS

(D) INDICATES 10' WIDE EASEMENT TO THE CITY OF PALMDALE FOR DRAINAGE AND MAINTENANCE PURPOSES DEDICATED PER THIS MAP.

MONUMENT LEGEND

■ INDICATES FOUND MONUMENT AS DESCRIBED

⊙ INDICATES SPIKE AND WASHER "L.S. 8767" TO BE SET DOWN 0.04'.

LEGEND

[ ] INDICATES RECORD & MEASURED DATA PER R.S. 284-42

INDICATES THE BOUNDARY OF THE LAND BEING SUBDIVIDED BY THIS MAP.

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **ALL**

SUBJECT: **AWARD A CONSTRUCTION CONTRACT WITH SULLY-MILLER CONTRACTING COMPANY FOR PN 805, THE 2021 ARTERIAL OVERLAY PROJECT, IN THE AMOUNT OF $2,067,000.**

ISSUE

Award Construction Contract with Sully-Miller Contracting Company for PN 805, 2021 Arterial Overlay Project, in the amount of $2,067,000.

RECOMMENDATION

Staff recommends that the City Council:

1. Award Construction Contract with Sully-Miller Contracting Company for PN 805, the 2021 Arterial Overlay Project, in the amount of $2,067,000; and
2. Authorize the City Manager or his designee to execute Agreement No. 7468 with Sully-Miller Contracting Company, including minimal and/or non-substantive changes.

BACKGROUND

This Public Works Project will provide for a 2-inch grind and 2-inch polymer modified asphalt concrete (PMAC) overlay on over one million square feet of arterial roadway within the City of Palmdale, including utility/manhole adjustment, traffic loop restoration, thermoplastic striping enhancements, and median improvements. The road segments to be overlayed with this project include (see attached project map):

a) 25th Street West, from Rancho Vista Blvd to Elizabeth Lake Rd (approx. 6,300 feet in length and 525,000 square feet);

b) Avenue S, from Cemetery Rd to 30th Street East (approx. 3,600 feet in length and 295,000 square feet); and,

c) Avenue S, from approx. 45th Street East to 50th Street East (including median and striping improvements at the east exit of 'The Place on 47th Street' to Avenue S; approx. 2,600 feet in length and 200,000 square feet of pavement resurfacing and dig-out repair).

DISCUSSION

Three (3) bids for this project were received on May 6th, 2021 and are summarized as follows:

Bidder	Location	Amount
1. Sully-Miller Contracting Company	Brea, CA	$2,067,000
2. Granite Construction Company	Lancaster, CA	$2,304,503
3. C.A. Rasmussen, Inc.	Santa Clarita, CA	$2,694,149

References have been checked and staff recommends that the City Council award Project No. 805, to Sully-Miller Contracting Company in the amount of $2,067,000.

FISCAL IMPACT

Sufficient funding is budgeted from transportation funds Prop C, Article 8, Gas Tax, and SB-1. The project budget is summarized as follows:

	Budget	Anticipated Expenditures	Difference
Pavement Resurfacing Budget	$9,675,000		
PN 805 Construction		$2,067,000	
PN 805 Contingency (15%)		$310,000	
PN 805 Contract Inspection		$55,000	
City Administration		$20,000	
Labor Compliance		$10,000	
Total	**$9,675,000**	**$ 2,462,000**	**$7,213,000**

Note that of the approximate $7.2 M remaining in the Pavement Resurfacing budget, $3.02 M is programmed under PN 806, the Local Streets Cape Seal project, (also presented for Council Approval) and approx. $4.2 M remains for Spring ’22 projects yet to be determined.

STRATEGIC PLAN

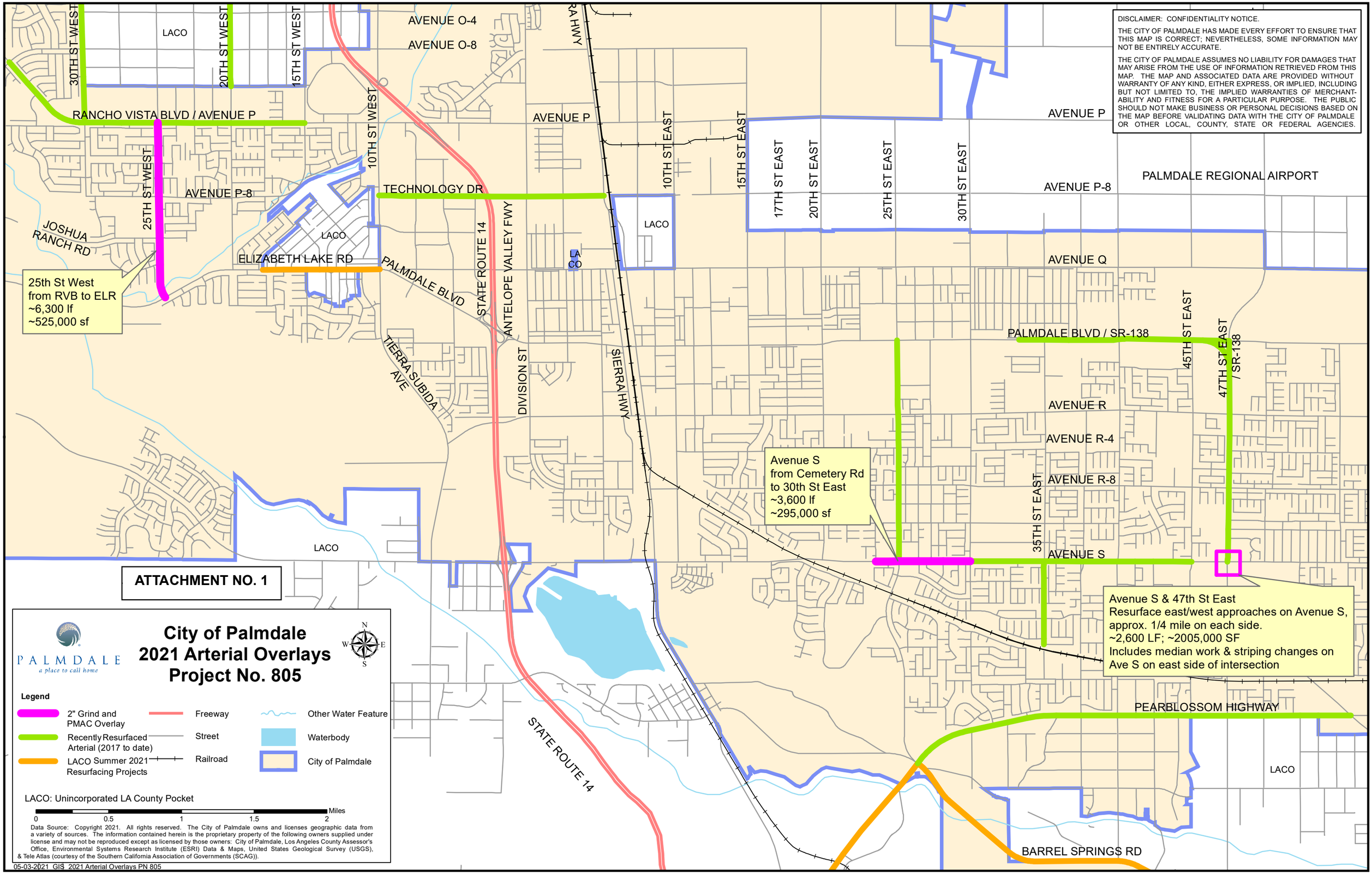
Goal III: Invest in infrastructure to improve community livability.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan, Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. PN 805 2021 Arterial Street Overlay Project Map.


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.
THE CITY OF PALMDALE ASSUMES NO LIABILITY FOR DAMAGES THAT MAY ARISE FROM THE USE OF INFORMATION RETRIEVED FROM THIS MAP. THE MAP AND ASSOCIATED DATA ARE PROVIDED WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS, OR IMPLIED, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANT-ABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE PUBLIC SHOULD NOT MAKE BUSINESS OR PERSONAL DECISIONS BASED ON THE MAP BEFORE VALIDATING DATA WITH THE CITY OF PALMDALE OR OTHER LOCAL, COUNTY, STATE OR FEDERAL AGENCIES.
30TH ST WEST
20TH ST WEST
15TH ST WEST
10TH ST WEST
LACO
AVENUE O-4
AVENUE O-8
SR-14 HWY
RANCHO VISTA BLVD / AVENUE P
AVENUE P
10TH ST EAST
15TH ST EAST
17TH ST EAST
20TH ST EAST
25TH ST EAST
30TH ST EAST
PALMDALE REGIONAL AIRPORT
AVENUE P-8
25TH ST WEST
TECHNOLOGY DR
JOSHUA RANCH RD
ELIZABETH LAKE RD
PALMDALE BLVD
STATE ROUTE 14
ANTELOPE VALLEY FWY
DIVISION ST
SIERRA HWY
TIERRA SUBIDA AVE
AVENUE Q
PALMDALE BLVD / SR-138
45TH ST EAST
47TH ST EAST / SR-138
AVENUE R
AVENUE R-4
AVENUE R-8
35TH ST EAST
AVENUE S
25th St West
from RVB to ELR
~6,300 lf
~525,000 sf
Avenue S
from Cemetery Rd
to 30th St East
~3,600 lf
~295,000 sf
Avenue S & 47th St East
Resurface east/west approaches on Avenue S, approx. 1/4 mile on each side.
~2,600 LF; ~2005,000 SF
Includes median work & striping changes on Ave S on east side of intersection
PEARBLOSSOM HIGHWAY
BARREL SPRINGS RD
ATTACHMENT NO. 1
PALMDALE
a place to call home
City of Palmdale
2021 Arterial Overlays
Project No. 805
N
W
E
S
Legend
2" Grind and PMAC Overlay
Recently Resurfaced Arterial (2017 to date)
LACO Summer 2021 Resurfacing Projects
Freeway
Street
Railroad
Other Water Feature
Waterbody
City of Palmdale
LACO: Unincorporated LA County Pocket
0
0.5
1
1.5
2
Miles
Data Source: Copyright 2021. All rights reserved. The City of Palmdale owns and licenses geographic data from a variety of sources. The information contained herein is the proprietary property of the following owners supplied under license and may not be reproduced except as licensed by those owners: City of Palmdale, Los Angeles County Assessor's Office, Environmental Systems Research Institute (ESRI) Data & Maps, United States Geological Survey (USGS), & Tele Atlas (courtesy of the Southern California Association of Governments (SCAG)).
05-03-2021 GIS 2021 Arterial Overlays PN 805

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **ALL**

SUBJECT: **AWARD CONSTRUCTION CONTRACT WITH MANHOLE ADJUSTING, INC. FOR PN 806, THE 2021 LOCAL STREET CAPE SEAL PROJECT, IN THE AMOUNT OF $2,564,325.**

ISSUE

Award Construction Contract with Manhole Adjusting, Inc. for PN 806, the 2021 Local Street Cape Seal Project, in the amount of $2,564,325.

RECOMMENDATION

Staff recommends that the City Council:

1. Award Construction Contract with Manhole Adjusting, Inc. for PN 806, the 2021 Local Street Cape Seal Project, in the amount of $2,564,325; and
2. Authorize the City Manager or his designee to execute the Agreement No. 7505 with Manhole Adjusting, Inc., including minimal and/or non-substantive changes.

BACKGROUND

This Public Works Project will provide for the installation of a 3/8-inch Asphalt Rubber Aggregate Membrane (ARAM) Cape Seal on over 2.525 million square feet of local (i.e. residential) streets located throughout the City of Palmdale. The ARAM cape seal treatment consists of a 3/8-inch rubberized chip seal and a recycled asphalt pavement (RAP) slurry seal applied directly to the prepared surface of the local street. This effective maintenance treatment has been used by the City of Palmdale on local streets in recent years due to its cost effectiveness. No grinding is required for the cape seal treatment, but the surface must be prepared by removing weeds, cutting back overhanding trees, and blowing out and filling the existing surface cracks. The rubberized chip seal is placed on the prepared surfaces of the local streets, and cul-de-sacs and intersection stop points receive a specialized chip seal treatment to handle the torquing forces exerted on the road surface by heavy vehicles (such as trash trucks). The chip seal cools and sets quickly, then street sweeping is done to remove loose chips, and the local road is reopened to residents. A RAP slurry seal is later placed over the chip seal to complete the cape seal. The Contractor is responsible for refreshing existing thermoplastic striping, protecting survey monuments, and adjusting utilities to

grade as necessary. The Contactor will stage the work to minimize inconvenience to residents as much as possible, including providing notification to residents and posting no-parking signs well in advance of all work. The completed cape seal helps to seal the existing pavement from water intrusion and provides a new driving surface, extending the life of the pavement for 10 to 15 more years before a more substantial maintenance treatment (such as an overlay or reconstruction) may be necessary.

Both components of the cape seal make use of recycled materials, rendering this an environmentally friendly and sustainable maintenance treatment. The rubberized chip seal uses recycled tire rubber and this project will consume over 23,000 scrap tires that would otherwise occupy California landfills. The slurry seal material makes use of recycled asphalt pavement from stockpiles of asphalt grindings. The residential neighborhoods to be completed under PN 806 are shown on the attached project map.

DISCUSSION

One (1) bid for this project was received on May 6th, 2021 and is summarized as follows:

Bidder	Location	Amount
1. Manhole Adjusting, Inc.	Pomona, CA	$2,564,325.00

References have been checked and staff recommends that the City Council award Project No. 806 to Manhole Adjusting, Inc. in the amount of $2,564,325.00.

FISCAL IMPACT

Finance has allocated funds in Account No. S0025, Street Resurfacing Program, for this project from the following sources: Prop C, Article 8, Gas Tax, and SB-1. The project budget is summarized as follows:

	Budget	Anticipated Expenditures	Difference
Pavement Resurfacing Budget	$9,675,000		
Committed for PN 805	(2,462,000)		
PN 806 Construction		$2,564,400	
PN 806 Contingency (15%)		$385,000	
PN 806 City Inspection		$40,000	
Administration		$20,000	
Labor Compliance		$12,000	
Total	**$7,213,000**	**$ 3,021,400**	**$4,191,600**

Note that of the original $9.675 M in the Pavement Resurfacing budget, $2.462 million is programmed under PN 805, the Arterial Overlay project, (also presented for Council Approval) and approx. $4.2 million remains for Spring ’22 projects yet to be determined.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

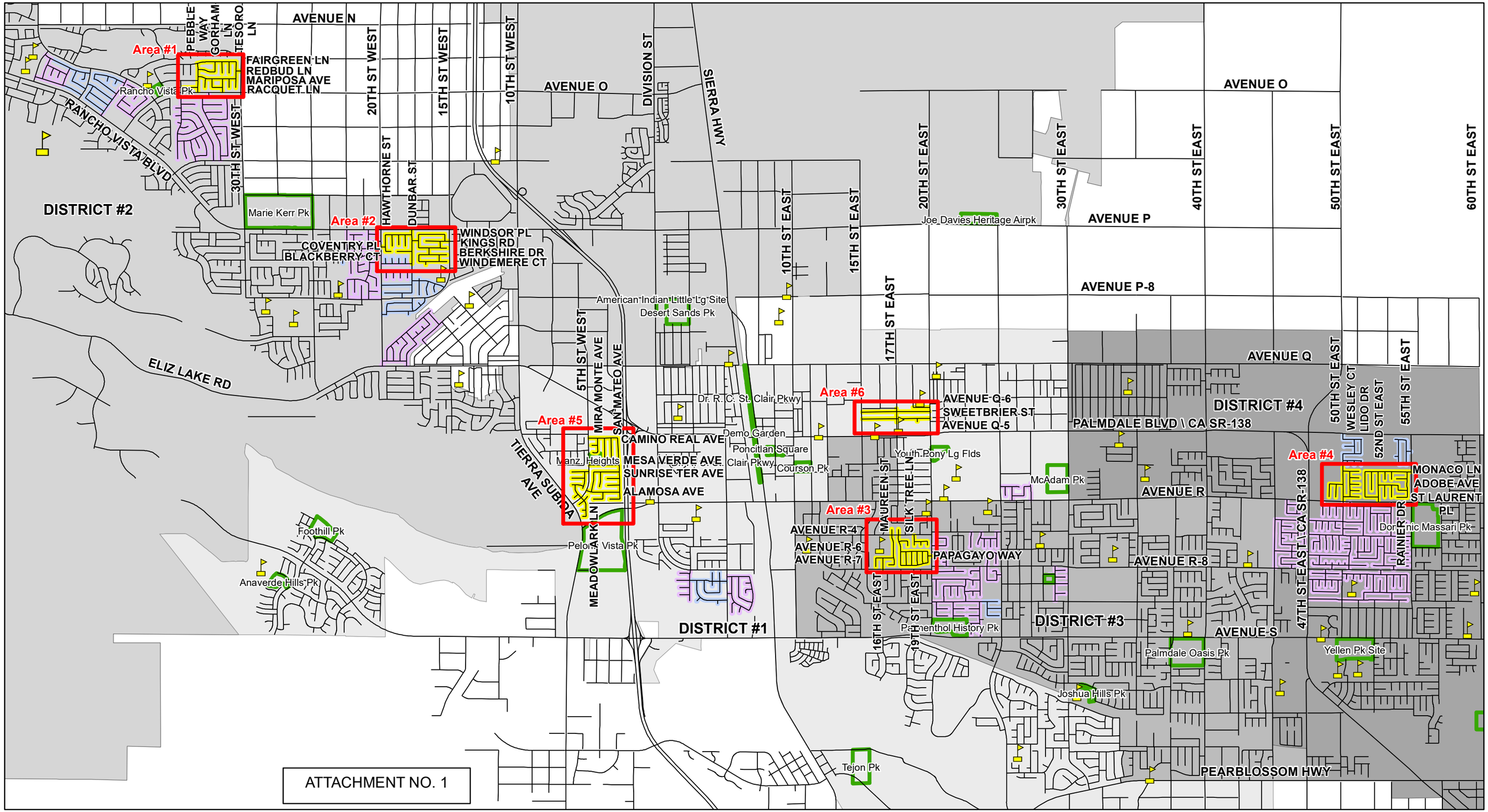
A. Seek innovative, cost effective, customer focused methods of service delivery.

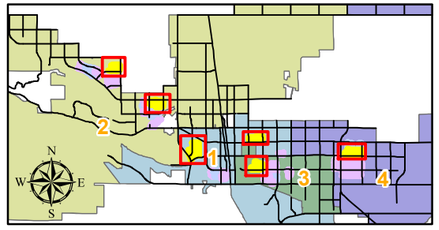
C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan, Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. PN 806 2021 Local Street Cape Seal Project Map





PN 806 2021 Cape Seals*

Completed Streets**

ARAM Sys 1 Cape Seal
(appox. 5,850,000 sf)

Type II RAP Slurry Seal
(appox. 1,222,000 sf)

School

Park

Centerline

*PN 806: Over 2.5 million square feet of ARAM Cape Seal on local streets
Construction in Summer 2021
Completion in October 2021

**PN 747 & PN 781
Completed in Sept 2018 & Oct 2019

Data Source: Copyright 2021. All rights reserved. The City of Palmdale owns and licenses geographic data from a variety of sources. The information contained herein is the proprietary property of the following owners, supplied under license, and may not be reproduced except as licensed by those owners: City of Palmdale, Los Angeles County Assessor's Office, ESRI Date & Maps, USGS, & TeleAtlas (courtesy of SCAG). Aerial imagery may be outdated and not match the actual ground condition.

N 0 1,750 3,500 7,000 10,500 14,000 Feet

PALMDALE
a place to call home

PN 806 : 2021 Local Street Cape Seals

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
MAINTENANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **AWARD BID NO. 21-004-3300 TO WALSMA OIL COMPANY, INC. FOR DIESEL & UNLEADED FUEL, MOTOR OIL AND LUBRICANTS IN AN AMOUNT NOT TO EXCEED $350,000.**

ISSUE

Award Bid No. 21-004-3300 to Walsma Oil Company, Inc. for diesel and unleaded fuel, motor oil, and lubricants in an amount not to exceed $350,000.

RECOMMENDATION

Staff recommends that the City Council:

1. Award Bid No. 21-004-3300 **to** Walsma Oil Company, Inc. for diesel and unleaded fuel, motor oil, and lubricants in an amount not to exceed $350,000.

2. Authorize the City Manager, or his designee, to execute the purchase order with Walsma Oil Company, Inc., including making minor and non-substantive changes.

BACKGROUND

The Fleet Maintenance Section manages a fleet of more than 300 City vehicles, and a variety of standard and specialty equipment to ensure the daily vehicle needs of all City Departments. Maintaining an on-site fueling station and bulk fuel deliveries are important for accessibility, product security, and best price economics. It is also advantageous in the event of emergency or disaster situations.

DISCUSSION

The City released Invitation for Bids (IFB) No. 21-004-3300 Diesel & Unleaded Fuel, Motor Oil and Lubricants on March 29, 2021. Two (2) vendors responded to the IFB and the bid proposals were evaluated on a fixed unit price basis, lowest responsive bidder. Walsma Oil Company, Inc. met the City's Local Preference 5% qualification resulting in the recommended award.

Bid proposals received and evaluated from Walsma Oil company, Inc. (Lancaster, CA) and SC Fuels (Southern Counties Oil Company – Orange, CA) are summarized in the attached IFB No. 21-004-3300 Diesel & Unleaded Fuel, Motor Oil and Lubricants Bid Tabulation.

The contract term with Walsma Oil Company, Inc. will be one (1) year (FY 2021-2022) July 1, 2021 through June 30, 2022 with the option to extend the term for two (2) additional one (1) year periods upon mutual consent of the same terms and conditions with the vendor.

FISCAL IMPACT

The blanket Purchase Order amount for Diesel & Unleaded Fuel, Motor Oil, and Lubricants for FY 2021-2022 will not exceed $350,000.00. Sufficient funds are budgeted in the 15433007 (Fleet Maintenance) account for Fuel and Oil supplies (Object Code 734100) for the current fiscal year. The Fleet Maintenance account is funded by allocations from other City department accounts based on the number and types of vehicles and equipment maintained, this includes the cost of Fuel and Oil supplies.

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.

Goal III: Invest in infrastructure to improve community livability.

B. Seek innovative, cost effective, customer focused methods of service delivery.

Prepared by:	Chuck Heffernan, Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. IFB No. 21-004-3300 Diesel & Unleaded Fuel, Motor Oil and Lubricants Bid Tabulation
2. Purchase Order No. 20220000 Walsma Oil Company, Inc.

		SC Fuels (So Counties Oil Co.)				Walsma Oil Company, Inc.				SC Fuels (So Counties Oil Co.)		Walsma Oil Company, Inc.	
Bid Proposal Form No.1		Orange, CA				Lancaster, CA				Orange, CA		Lancaster, CA	
Item No.	**Product Description**	**OPIS Net Reference City & Average Rack Price**	**Per Gallon Rack Price (as of March 1, 2021)**	**Per Gallon Bid Margin/Markup**	**Total per Gallon Bid Price (for evaluation purposes only)**	**OPIS Net Reference City & Average Rack Price**	**Per Gallon Rack Price (as of March 1, 2021)**	**Per Gallon Bid Margin/Markup**	**Total per Gallon Bid Price (for evaluation purposes only)**	**Estimated total fuel needed/gallons**	**Total cost with bid pricing**	**Estimated total fuel needed/gallons**	**Total cost with bid pricing**
1	Regular Unleaded Gasoline (87 Octane)	Los Angeles, CA $2.4553	$2.4553	$0.2375	$2.6928	Los Angeles, CA $2.4553	$2.4553	$0.25	$2.7053	62,400	$168,030.72	62,400	$168,810.72
2	Ultra Low Sulfur No. 2 Diesel Fuel	Los Angeles, CA $2.4372	$2.4372	$0.2833	$2.7205	Los Angeles, CA $2.4372	$2.4372	$0.25	$2.6872	26,000	$70,733.00	26,000	$69,867.20
										Total bid price	**$238,763.72**	**Total bid price**	**$238,677.92**
3	One Delivery of Two (2) Tanks	$0.00				$0.00							
4	Other: Pump Charge	$0.00				$0.00							
5	Freight Charge	$0.00				$0.00							
6	Emergency Delivery can be provided within: _____ hours' notice	24 hours (no charge) / 12 hours ($255 Addtl Fee)				24 hours							

				SC Fuels (So Counties Oil Co.)			Walsma Oil Company, Inc.				
Bid Proposal Form No.2				Orange, CA			Lancaster, CA				
Item No.	**Product Description**	**Brand Name**	**Unit of Measure**	**Estimated Quantity**	**Unit Price**	**Extended Price**	**Brand Name**	**Unit of Measure**	**Estimated Quantity**	**Unit Price**	**Extended Price**
1	15W-40 Diesel Engine Lubricating Oil LE (Low Emission)	Chevron	Gallon	300	$7.87	$2,361.00	Guardol	Gallon	300	$13.00	$3,900.00
2	5W-30 Motor Oil (Meets or exceeds requirements of Chrysler MS 6395, FordWss-M2C961-A1 and GM 6094M)	Chevron	Gallon	200	$7.48	$1,496.00	Shield Choice	Gallon	200	$12.15	$2,430.00
3	5W-20 Motor Oil (Meets or exceeds requirements of Chrysler MS 6395, FordWss-M2C945-B1 and GM 6094M)	Chevron	Gallon	200	$7.48	$1,496.00	Shield Choice	Gallon	200	$12.15	$2,430.00
4	Automatic Transmission Fluid (ATF) (Allison Rated)	BP	Gallon	50	$26.83	$1,341.50	P66 Triton 295	Gallon	50	$38.00	$1,900.00
5	DEF	Brenntag	Gallon	800	$2.88	$2,304.00	Assure	Gallon	800	$2.65	$2,120.00
	Bid Total				**$52.54**	**$8,998.50**				**77.95**	**$12,780.00**
	California Sales Tax 10.25%				$5.39	$922.35				7.99	$1,309.95
	Estimated Total Cost to City:				**$57.93**	**$9,920.85**				**$85.94**	**$14,089.95**

Information reflects pricing only and other factors may be considered during the evaluation process

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5424

Revisions 002
Expiration Date 06/30/2022

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # 20220000

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

Vendor
WALSMA OIL CO INC
44141 N YUCCA AVE
PO BOX 17
LANCASTER, CA 93534

Ship To
ADAM DYER
PUBLIC WORKS/MAINTENANCE
39110 3RD ST EAST
PALMDALE, CA 93550

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
661-945-4772 X200	661-723-0116		Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
05/13/2021	4313	07/01/2021	DESTINATION/NET 45	STREET MAINTENANCE

Item#	Description/Part No.	Qty	UOM	Cost Each	Extended Price
1	DIESEL & UNLEADED FUEL, MOTOR OIL AND LUBRICANTS THIS FY 2021-2022 BLANKET PURCHASE ORDER AS A RESULT OF IFB 21-004-3300 IS PENDING CITY COUNCIL APPROVAL JUNE 1, 2021. THE TERM IS ONE YEAR, COMMENCING JULY 1, 2021 WITH CITY RESERVING THE OPTION TO EXTEND THE CONTRACT FOR TWO (2) ADDITONAL TERMS OF ONE YEAR EACH.	350000	DL	$1.00	$350,000.00

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

Sales Tax	
Discount	
Freight	
Order Total	**350,000.00**

Approved City Representative

VENDOR COPY

1. **ACCEPTANCE** ACCEPTANCE OF THIS PURCHASE ORDER BY THE VENDOR IS EXPRESSLY LIMITED TO THE TERMS AND CONDITIONS CONTAINED HEREIN. ANY TERM OR CONDITION STATED BY THE VENDOR IN ANY PRIOR PROPOSAL , ON VENDOR S ACKNOWLEDGEMENT FORM, OR IN OTHERWISE ACKNOWLEDGING OR ACCEPTING THIS ORDER IS DEEMED BY BUYER TO BE A MATERIAL ALTERATION OF THIS ORDER AND IS HEREBY OBJECTED TO BY THE BUYER. ANY SUCH TERM OR CONDITION SHALL BE INAPPLICABLE TO THIS ORDER UNLESS EXPRESSLY AGREED TO IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF BUYER. ACCEPTANCE OF THE MERCHANDISE COVERED BY THIS ORDER WILL NOT CONSTITUTE ACCEPTANCE BY BUYER OF VENDOR S TERMS AND CONDITIONS. ANY OF THE FOLLOWING ACTS BY VENDOR SHALL CONSTITUTE ACCEPTANCE OF THIS OFFER AND ALL OF ITS TERMS AND CONDITIONS; SIGNING AND RETURNING A COPY OF THIS ORDER; DELIVERY OF ANY OF THE MERCHANDISE ORDERED; INFORMING THE BUYER OF COMMENCEMENT OF PERFORMANCE; OR RETURNING VENDOR S OWN FORM OF ACKNOWLEDGEMENT.

2. **PRICE AND DELIVERY** Vendor shall furnish the merchandise covered by this order (which may consist of or include services of a non-technical and non-professional nature or construction work) in accordance with the prices and delivery schedule stated on the face of this order. If prices or delivery dates are not stated, Vendor shall offer its lowest prices or best delivery dates, bo of which shall be subject to written acceptance by Buyer. All prices include all applicable taxes, except sales taxes which are separately shown where applicable. Vendor warrants that the prices charged for the merchandise ordered will be as low as the lowest price charged by the Vendor to any customers purchasing similar merchandise in the same or smaller quantities and under like circumstances.

3. **PAYMENT** Buyer shall pay to Vendor the full sales price within forty five (45) days of invoice date, or sooner if otherwise specified on the face of this order.

4. **PACKING AND SHIPPING** Vendor warrants that prices include all charges for packing, crating, and transportation to F.O.B. point. All merchandise shall be packaged, marked, and otherwise prepared in accordance with good commercial practices to obtain the lowest shipping rates and to assure adequate protection of the merchandise in shipment and storage and its arrival at F.O.B. point in undamaged condition. An itemized packing list shall accompany each shipment.

5. **F.O.B, TITLE AND RISK OF LOSS** Unless otherwise specified on the face of this order, the F.O.B. point shall be Buyer s location designated on the face of this order . If transportation is F.O.B. Vendor s location, Vendor shall bear all risk of loss or damage to the merchandise, and title shall not shift to Buyer, until delivery of the merchandise to Buyer s designated location.

6. **INVOICING** After shipping or otherwise providing merchandise under this order, Vendor shall send a separate invoice, in duplicate, including item numbers and accompanied by a bill of lading or express receipt. The time for payment of Vendor s invoices shall commence upon the date of actual receipt of merchandise and acceptable invoices consistent with the requirements of this order.

7. **ADVANCE SHIPMENTS AND COMMITMENTS** Buyer may, at its option, either merchandise received in advance of the delivery schedule set forth herein, or return it to Vendor at Vendor s risk and expense. If retained, time for payment and discount, if any, shall be based upon scheduled delivery dates. Vendor shall place all orders for, and schedule deliveries of materials necessary for its performance under this order at such times as will enable Vendor to meet, but not unreasonably anticipate, the stated delivery schedule. In the event of termination of or changes to this order, Buyer shall not be liable for any charges or costs arising form commitments by Vendor for the acquisition of materials, or work performed, in advance of the time necessa to meet the specified delivery schedule, unless Buyer has given its prior written consent to such advance commitments or work.

8. **CHANGES** Buyer may, by written change order, suspend performance in whole or in part, make changes in quantities, in drawings, designs or specifications, in the method of shipment or packing in the time or place of delivery, or require additional or diminished work. If any such changed causes an increase or decrease in the cost of or the time required for, performance of this order, an equitable adjustment shall be made in the contract price or delivery dates, or both and this order shall be modified in writing accordingly. Any claim for adjustment under this Section 8 may, at Buyer s option, be deemed to be absolutely and unconditionally waived unless asserted in writing (including the amount of the claim) and delivered to Buyer within thirty (30) days from the date of receipt by Vendor of the change order. No change order will be binding on Buyer unless issued and signed by an authorized representative of Buyer s purchasing department. Nothing in this Section 8 shall excuse Vendor from proceeding with the order as changed.

9. **INSPECTION** Final inspection and acceptance of the merchandise shall be at the F.O.B. point unless otherwise specified in this order. Such inspection shall be in accordance with the customary established inspection procedures of Buyer at the location where the merchandise is received. Buyer reserves the right to use sampling procedures for the acceptance or rejection o any or all items ordered. If a lot is rejected by the sampling procedure, the entire lot may be returned to Vendor for screening at the Vendor s expense or, at the option of Buyer, the rejected lot may be screened by Buyer at Vendor s expense, and the costs thereof shall be deducted from Vendor s invoice. Buyer may reject any merchandise which contains defective materials or workmanship or does not conform to specifications or samples. In such event, Buyer may, at its option, and upon written notice to Vendor: (i) rescind this order as to such merchandise; (ii) accept such merchandise at an equitable reduction in price; or (iii) reject such merchandise and require the delivery of replacements. Deliveries of replacement merchandise shall be accompanied by a written notice specifying that such merchandise is a replacement. If Vendor fails to deliver required replacements promptly, Buyer may: (I) replace or correct such merchandise and charge the Vendor the cost thereby incurred by Buyer; or (ii) terminate this order for cause as provided in Section 16 hereof. The rights of Buyer under this Section 9 are in addition to any other rights or remedies herein or by law.

10. **WARRANTIES** In addition to all other warranties, expressed or implied, Vendor warrants that the merchandise will be: (I) free from defect in workmanship and materials; (ii) free from defects in design except to the extent that such merchandise complies with the specifications provided by Buyer, (iii) suitable for purposes, if any, which are stated on the face of this order or in any attachments hereto; and (iv) in conformity with all other requirements of this order. These warranties, and all other warranties, express or implied, shall survive delivery, inspection, acceptance and payment.

    In addition to all other rights Buyer may have, if merchandise is determined not to e as warranted within a period of one (1) year acceptance by Buyer, Buyer may return such merchandise to Vendor, at Vendor s expense, for correction, replacement or credit, as Buyer may direct. Any merchandise corrected or furnished in replacement shall, from the date of delivery of such corrected or replacement merchandise, be subject to the provision of this Section 10 for the same period and to the same extent as merchandise initially furnished pursuant to this order.

11. **PROPRIETARY INFORMATION** All written information obtained by Vendor from Buyer concerning this order, and which is identified as proprietary by Buyer, shall be received in confidence and shall remain the property of the Buyer, and shall be used and disclosed by Vendor only to the extent necessary for performance of this order.

12. **COMPLIANCE WITH LAWS** Vendor shall comply with all federal, state and local laws, ordinances, rules and regulations in the manufacture and sale of the merchandise (including the performance of any services or construction work). Vendor will defend and hold Buyer harmless from any loss, damage or costs attributable to or arising out of any actual or alleged violation of any such law, ordinance, rule or regulation.

13 **USE OF VENDOR S LITERATURE** Buyer shall have the right, at no additional charge, to use and reproduce the Vendor s applicable literature, such as operating and maintenance manuals, technical publications, prints, drawings, training manuals, and other similar supporting documentation and sales literature. Vendor shall advise Buyer in writing of any updated information relating to the foregoing literature and documentation.

14. **LIABILITY FOR INJURY** Vendor shall indemnify Buyer against any loss and liability for all personal injury and property damage caused by the merchandise sold or the services of constructio work.

15. **ASSIGNMENT PROHIBITED** Vendor shall not assign this order, or any rights or obligations hereunder, without the prior written consent of Buyer, and no attempted or purported assignment b Vendor shall be binding on Buyer without such written consent.

16. **DEFAULT AND TERMINATION** Buyer may, by written notice of default to the Vendor, terminate this order, or any part thereof, under the following circumstances:
    A. If Vendor fails to deliver the merchandise (or to commence performance of any services or construction work included therein) in accordance with the delivery schedule specified herein, or any extension thereof; or if vendor fails to perform any other provision of this order, or so fails to make progress as to endanger performance of this order in accordance with its terms, and any such failure or default is not cured within ten (10) days after written notice from the Buyer, or
    B. In the event of the appointment of a trustee, receiver or liquidator for all or a portion of Vendor s property, or the institution of bankruptcy, reorganization, arrangement or liquidation proceedings by or against the Vendor, or any assignments by Vendor for the benefit of creditors.

    Upon any termination to this Section 16, Buyer may purchase similar merchandise elsewhere, or secure the delivery of the merchandise by contract, or otherwise and Vendor shall be liable to Buyer for any excess cost to Buyer; provided, however, that Vendor shall not be liable for such excess costs when the delay of Vendor in performing or in making deliveries is due to causes beyond the control and without fault or negligence on the part of the Vendor. No cause shall constitute a basis for excusable delay unless Vendor has notified Buyer in writing of the existence o such cause within ten (10) days from the commencement thereof. The rights and remedies of Buyer under this Section 16 shall not be exclusive and are in addition to all other rights and remedies provided by law or by the terms and condition of this order.

17. **WAIVER** Buyer s failure to insist upon the performance of any provision of this order, or to exercise any right or privilege granted to Buyer under this order, shall not be construed as a waive of any provision of this order, and the same shall continue in full force and effect. If any provision of this order is determined by a court of competent jurisdiction to be void or otherwise unenforceable, the other provisions of this order shall not be affected thereby.

18. **DISPUTE RESOLUTION** Disputes regarding the interpretation or application of any provisions of this order shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties. If any action at law or in equity is brought to enforce or interpret any provisions of this order, the prevailing party in such action shall be entitled to reasonable attorney s fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

19. **GOVERNING LAW** The validity, performance and construction of the order, including all terms and conditions thereof, shall be construed in accordance with and governed by the laws of the State of California.

20. **ENTIRE AGREEMENT** This order, its terms and conditions, and any supplemental attachments, addenda or riders annexed hereto by Buyer, contain the entire agreement between the partie as to the subject matter hereof, and replace and supersede any prior or contemporaneous communications, representations or agreements, whether written oral, with respect to such subject matter, unless specifically provided otherwise herein.

21. **NOTICES** All notices, demands, requests or approvals to be given in connection with this order shall be in writing and delivered in person or by mail, postage prepaid, and addressed to the other party at the address set forth on the face of this order, or to such other address as may be subsequently be designated in writing by either party.

22. **SPECIAL PROVISIONS**
    A. Notwithstanding the reference herein to merchandise , if this order relates to or includes services of a non-technical and non-professional nature having an estimated cost of $20,000 less, the Special Provisions set forth in Attachment No. 1 shall be deemed to be incorporated herein by this reference, and such Special Provisions shall supersede any provisions of this order set forth which are in conflict therein.
    B. Notwithstanding there references herein to merchandise , if this order relates to or includes construction work having an estimated $5,000 or less, the Special provisions set forth in Attachment No. 2 shall be deemed to be incorporated herein by this reference, and such Special Provisions shall supersede any provisions of this order set forth which are in conflict therewith.

Bid Proposal Form No.1		SC Fuels (So Counties Oil Co.) Orange, CA				Walsma Oil Company, Inc. Lancaster, CA			
Item No.	Product Description	OPIS Net Reference City & Average Rack Price	Per Gallon Rack Price (as of March 1, 2021)	Per Gallon Bid Margin/Markup	Total per Gallon Bid Price (for evaluation purposes only)	OPIS Net Reference City & Average Rack Price	Per Gallon Rack Price (as of March 1, 2021)	Per Gallon Bid Margin/Markup	Total per Gallon Bid Price (for evaluation purposes only)
1	Regular Unleaded Gasoline (87 Octane)	Los Angeles, CA $2.4553	$2.4553	$0.2375	$2.6928	Los Angeles, CA $2.4553	$2.4553	$0.25	$2.7053
2	Ultra Low Sulfur No. 2 Diesel Fuel	Los Angeles, CA $2.4372	$2.4372	$0.2833	$2.7205	Los Angeles, CA $2.4372	$2.4372	$0.25	$2.6872
3	One Delivery of Two (2) Tanks	$0.00				$0.00			
4	Other: Pump Charge	$0.00				$0.00			
5	Freight Charge	$0.00				$0.00			
6	Emergency Delivery can be provided within: _____ hours' notice	24 hours (no charge) / 12 hours ($255 Addtl Fee)				24 hours			

Bid Proposal Form No.2				SC Fuels (So Counties Oil Co.) Orange, CA			Walsma Oil Company, Inc. Lancaster, CA				
Item No.	Product Description	Brand Name	Unit of Measure	Estimated Quantity	Unit Price	Extended Price	Brand Name	Unit of Measure	Estimated Quantity	Unit Price	Extended Price
1	15W-40 Diesel Engine Lubricating Oil LE (Low Emission)	Chevron	Gallon	300	$7.87	$2,361.00	Guardol	Gallon	300	$13.00	$3,900.00
2	5W-30 Motor Oil (Meets or exceeds requirements of Chrysler MS 6395, FordWss-M2C961-A1 and GM 6094M)	Chevron	Gallon	200	$7.48	$1,496.00	Shield Choice	Gallon	200	$12.15	$2,430.00
3	5W-20 Motor Oil (Meets or exceeds requirements of Chrysler MS 6395, FordWss-M2C945-B1 and GM 6094M)	Chevron	Gallon	200	$7.48	$1,496.00	Shield Choice	Gallon	200	$12.15	$2,430.00
4	Automatic Transmission Fluid (ATF) (Allison Rated)	BP	Gallon	50	$26.83	$1,341.50	P66 Triton 295	Gallon	50	$38.00	$1,900.00
5	DEF	Brenntag	Gallon	800	$2.88	$2,304.00	Assure	Gallon	800	$2.65	$2,120.00
	Bid Total				**$52.54**	**$8,998.50**				**77.95**	**$12,780.00**
	California Sales Tax 10.25%				$5.39	$922.35				7.99	$1,309.95
	Estimated Total Cost to City:				**$57.93**	**$9,920.85**				**$85.94**	**$14,089.95**

Information reflects pricing only and other factors may be considered during the evaluation process

Local Vendor Preference Qualifications (within 5%) - Walsma Oil Company, Inc.

SC Fuels (So Counties Oil Co.) Orange, CA		Walsma Oil Company, Inc. Lancaster, CA	
Estimated total fuel needed / gallons	Total cost with bid pricing	Estimated total fuel needed / gallons	Total cost with bid pricing
62400	$168,030.72	62400	$168,810.72
26000	$70,733.00	26000	$69,867.20
Total bid price	$238,763.72	total bid price	$238,677.92

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE SUPPLEMENTAL AGREEMENT NO. 1 FOR PN 751A, SANITARY SEWER EXCAVATION REPAIRS, BETWEEN THE CITY OF PALMDALE AND ATLAS UNDERGROUND, INC., IN THE AMOUNT OF $137,321.**

ISSUE

Approve Supplemental Agreement No. 1 between the City of Palmdale and Atlas Underground, Inc., in the amount of $137,321, in association with additional work required to complete Repair No. 67-01 on Capital Improvement Project No. 751A, Sanitary Sewer Excavation Repairs.

RECOMMENDATION

Staff recommends that the City Council:

1. Approve Supplemental Agreement No. 1 to Agreement No. A-7056, between the City of Palmdale and Atlas Underground, Inc.; and
2. Authorize the City Manager or his designee to execute Supplemental Agreement No. 1 to Agreement No. A-7056 with Atlas Underground, Inc.

BACKGROUND

Capital Project No. 751A, the Sanitary Sewer Excavation Repairs Project, included 38 repairs on existing sewer mainlines that Sewer Maintenance staff determined necessary to improve wastewater flow and prevent potential sanitary sewer overflows (SSOs). Most of the sewer repairs were completed per the repair plans or with minor field changes and no impact to the construction cost. Repair No. 67-01, located on 5th Street West and Rancho Vista Blvd, was the only repair that required additional work to complete and was complicated by unknown field conditions found during excavation.

The sewer mainline associated with Repair 67-01 is identified as 1887B-0042+1887B-0733 and it serves several businesses on or near to 5th Street West (including restaurants, stores, a gas station, a dental office, and a hotel with 90+ rooms). Prior to the repair, sewer maintenance had the mainline on a 90-day cleaning frequency due to consistent, heavy debris buildup, and cleaning had to be done with reduced water pressure to avoid

causing plumbing problems inside the connected businesses. Sewer maintenance attempted a CCTV inspection and found a prolonged sag where the camera vehicle was fully submerged within the pipe. A lengthy sag is usually the result of pipe slope failure, possibly due to poor original construction or failure of the underlying material. Sewer maintenance identified Repair 67-01 with direction to excavate, regrade, and replace 140 linear feet (LF) of sewer pipe to correct the grade, eliminate the sag, and restore flow.

At the start of work on Repair 67-01, an underground service alert notified the Contractor of a 2-inch gas main that was not shown on the repair plan. The Contractor started the excavation and discovered the gas main ran parallel to and directly over the top of the sewer mainline. Gas mains are typically installed offset from the center of a sewer pipe to facilitate easier excavation in the event a repair is needed. The Contractor had to hand dig around and shift the gas main to safely access the sewer pipe for the repair work. Contractor also had to coordinate with Southern California Gas Company for special inspection. The poorly positioned gas main slowed the Contractor's work production, requiring additional labor hours to complete the excavation. City staff were unaware of the 2-inch gas main during the preparation of the repair plans as it was not shown on the original sewer mainline design plans (Plan No. PC 79-11078), nor was a record found for the installation of the gas line after original construction.

As excavation and pipe replacement proceeded to the original limit of the repair, it was found that the pipe slope failure could continue further upstream. With wastewater flow diverted for the repair, a supplemental CCTV inspection confirmed the defective pipe slope was longer than originally assessed and the repair length increased from 140 LF to 290 LF. In addition to the gas main and the additional pipe repair, the Contractor discovered that two (2) of the sewer laterals for the connected businesses were at reverse flow, indicating these laterals were failing to drain effectively via gravity to the sewer main. The City authorized the Contractor to excavate the two service laterals within the sewer easement and adjust as necessary to achieve a positive flow to the sewer connection.

DISCUSSION

The original bid amount by the Contractor for Repair No. 67-01 was $34,800 for 140 LF of pipe repair and anticipated completion in 4 days. The additional work on Repair No. 67-01, including hand excavation near the gas main, increasing the repair length to 290 LF, and excavating, adjusting, and reconnecting the two reverse-flow sewer laterals increased the repair timeline by eighteen (18) working days and increased the repair cost by $137,320.76. The extra work on this repair was completed on a time and materials basis. The change in field conditions discovered at the time of excavation caused the extra work, and the urgency of the repair warranted its completion as contract change order on this project. Supplemental Agreement No. 1,to Agreement No. A-7056, represents the CCO for the additional cost to complete Repair No. 67-01.

Completion of the pipe repair and the extra work as described has mitigated the maintenance issues. Sewer maintenance staff confirmed that debris buildup has been

greatly reduced, and cleaning can now be done without reducing the water pressure. Sewer Maintenance has extended the cleaning frequency, helping to improve the overall efficiency of the sewer maintenance program.

FISCAL IMPACT

Funds for this project are budgeted in Account No. U0003254-724525, Sewer Repairs. The original total budget was $802,000 which included costs for design, construction, and administration. There is sufficient budget available for the additional cost of Repair No. 67-01 per Supplemental Agreement No. 1.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

A. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan, P.E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1) Supplemental Agreement No. 1 to Agreement No. A-7056

Agreement A-7056

SUPPLEMENTAL AGREEMENT

PALMDALE
a place to call home

Agreement No: 1 (FINAL)

Project Title: **Sanitary Sewer Excavation Repairs**

Atlas Underground, Inc
1295 East End Ave
Pomona, CA 91766

Project No: **751A** **Account No.** **U0003254-724525** **Contract Date:** **July 15, 2020**

The following changes are hereby made to the Contract Documents:

See attached change order summary - Exhibit "A"

Justification:

See attached change order summary - Exhibit "A"

TOTAL $ 137,320.76

Change to Contract Price:

Original Contract Amount:	$	485,200.00
The Contract Price due to this Supplemental Agreement will be increased by:	$	137,320.76
The new Contract Price due to this Supplemental Agreement will be:	$	622,520.76

Change to Contract Time:

Original Contract Time: (Original Completion Date: 3/2/2021)	180	[calendar days]
The Contract Time has been reduced by:	23	[calendar days]
The date for completion of all work under the contract is:	2/8/2021	

APPROVALS REQUIRED:

To be effective, this order must be approved by the Owner if it changes the scope or objective of the project, or as may otherwise be required under the terms of the Supplementary General Conditions of the Contract.

Contractor: _____ Date: May 10, 2021
Hector Loya, President

Project Manager: _____ Date: _____
Marc Zuber

Director of Public Works: _____ Date: _____
Chuck Heffernan, P.E.

City Manager: _____ Date: _____
J.J. Murphy, ICMA-CM

ATTEST:

_____
Shanae S. Smith,
City Clerk

APPROVED AS TO FORM:

_____
Christopher L. Beck,
City Attorney

EXHIBIT "A"

CHANGE ORDER SUMMARY
Supplemental Agreement No. 1 to Agreement No. A-7056
for City Project No. 751A, the
Sanitary Sewer Excavation Repair Project

ITEM NO.	DESCRIPTION OF CHANGE	JUSTIFICATION	AMOUNT OF CHANGE
1	**CCO#1: Bid Item No. 6** **Additional cost associated with the extra work required to complete Sewer Mainline Repair No. 67-01 on 5th Street West and Rancho Vista Blvd**	Bid Item No. 6 represents Repair No. 67-01, a sanitary sewer excavation repair on City-owned sewer mainline ID# 1887B-0042+1887B-0733, located on 5th Street West and Rancho Vista Blvd. Repair No. 67-01, per the original bid plans, directed the removal and replacement of 140 linear foot (LF) of sewer pipe at 10 to 12 feet deep to correct a water level sag (a Grade 5 defect). The original direction for Repair No. 67-01, per the bid plans, was to excavate and remove 140 LF of existing sewer pipe, regrade the bedding to correct the slope, install new 8-inch vitrified clay pipe (VCP), reconnect the service laterals, then backfill the trench and repair the pavement. At the start of the repair the Contractor discovered a 2-inch gas main running parallel to and just above the sewer pipe. This gas main was not shown on the repair plan and the unknown field condition caused the Contractor to have to hand dig around the gas main to complete the excavation and then shift the gas main to complete the sewer pipe repair safely. Contractor had to coordinate with Southern California Gas Co. for special inspection. As excavation proceeded, it was found that the sag defect in the sewer main extended further than shown on the plans, and the additional length was confirmed by additional CCTV inspection. The City authorized the Contractor to excavate and repair an additional 150 linear feet of mainline to correct the sagging pipe. The excavation also revealed two (2) service laterals that were reverse flow. The City authorized the Contractor to perform additional excavation within the sewer easement to adjust the sewer laterals to achieve the correct slope for positive fall to the wye connection on the mainline. Given the maintenance issues and the urgency of this repair, the City authorized the Contractor to proceed with the extra work on a time and materials (T&M) basis. The final repair included the removal, regrading and installation of 290 LF of new 8-inch VCP (150 LF more than the original bid) at 10 to 12 feet deep, reconnection of seven service laterals, and excavation and rehabilitation of two service laterals to achieve positive flow to the sewer main. Completion of Repair 67-01 took twenty-two (22) additional working days due to the extra work required. Supplemental Agreement No. 1 represents a contract change order for an increase in the amount of $137,320.76 for the additional work done by the Contractor as authorized by the City on Repair 67-01.	$137,320.76
ONE (1) ITEM		**TOTAL AMOUNT OF CHANGES**	**$137,320.76**

It is understood that with the signing and execution of this supplemental agreement, the Contractor waives any and all rights to claim, seek, and demand additional compensation for this contract, including those from subcontractors, suppliers, or vendors. The City of Palmdale shall in no way have obligations beyond the adjusted Contract amount reflected herein. The Contractor shall provide proof of all releases from subcontractors, suppliers, vendors, and shall hold the City of Palmdale harmless from any and all claims associated with this Contract.

Contractor Initials: _____

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **ALL**

SUBJECT: **NOTICE OF COMPLETION - ACCEPT COMPLETED CAPITAL PROJECT NO. 751A, SANITARY SEWER EXCAVATION REPAIR.**

ISSUE

Notice of Completion - Accept completed Capital Project No. 751A, Sanitary Sewer Excavation Repair

RECOMMENDATION

Staff recommends that the City Council:

1. Accept the completion of Capital Project No. 751A, Sanitary Sewer Excavation Repair; and
2. Authorize the City Manager or his designee to file a Notice of Completion.

BACKGROUND

The City of Palmdale's sanitary sewer system includes over 395 miles of sewer mainlines and over 8,400 sewer manholes. The City's Sewer Maintenance Section in the Public Works Maintenance Division is responsible for the operation and maintenance (O&M) of the collection system. The goal of the O&M program is to ensure wastewater flows freely through the City's sewer lines and on to the County Sanitation District's trunk lines and wastewater treatment facility. Defects in mainlines such as broken pipe, sags, and large offset joints restrict the wastewater flow, allow debris to accumulate and can result in a blockage and sanitary sewer overflow (SSO). Sewer Maintenance Division staff use closed circuit television (CCTV) cameras on rover vehicles to visually inspect the inside of the City's sanitary sewer mainlines. Pipe defects are found, identified, and coded to a database for conditional assessment purposes. Sewer Maintenance Division staff use this information to identify and prioritize the sanitary sewer repairs.

PN 751A includes 38 repairs on existing sewer mainlines that Sewer Maintenance Division staff have determined as priority repairs to improve flows and prevent potential blockages / SSOs. CCTV inspection and assessment confirm that the nature of the pipe defects to be fixed in this project require repair via excavation, which includes flow control, digging and trenching to expose the pipe and defect, replacement of the damaged pipe

sections, lateral reconnection, and then trench backfill and restoration of the street surface. Most of the sewer mainline repairs in this project are short, localized repairs (3 to 12 feet in length), but there were multiple larger repairs, including 100+ foot long repair sections and a full-length pipe replacement. Larger repairs require traffic control plan development and a staged approach to complete the repair.

DISCUSSION

All construction work for this project has been completed. To release retention for Project No. 751A (five percent of each progress payment), it is necessary for the City Council to accept the project and for a Notice of Completion to be filed.

FISCAL IMPACT

Funds for this project are budgeted in Account No. U0003254-724525. The original total budget was $802,000 which included costs for design, construction, and administration. The final total project cost is $731,932.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

A. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan, P.E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1) Notice of Completion
2) Map of PN 751A Completed Sewer Repairs

RECORDING REQUESTED BY:

CITY OF PALMDALE

WHEN RECORDED MAIL TO:

CITY OF PALMDALE
OFFICE OF THE CITY CLERK
38300 Sierra Highway, Suite C
Palmdale, CA 93550

Space Above This Line for Recorder's Use

NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 3093, is hereby given that:

1. The undersigned is owner or corporate officer of the interest or estate stated below in the property hereinafter described.
2. The full name of the owner is City of Palmdale, a Municipal Corporation.
3. The full address of the owner is 38300 Sierra Highway, Palmdale, CA 93550.
4. The nature of interest or estate of the owner is: Fee (Sanitary Sewer Excavation Repairs)
5. A work of improvement on the property hereinafter described was completed on February 2, 2021
6. The work done was: "Sanitary Sewer Excavation Repairs, PN 751A".
7. The name of the Contractor for such work of improvement: Altas Underground Inc.
8. The property on which said work of improvement was completed is in the City of Palmdale, State of California, and is described as Public Utility Improvement.
9. The address of said property is: 38350 Sierra Highway, Palmdale, CA 93550

Dated: June 1, 2021

City of Palmdale

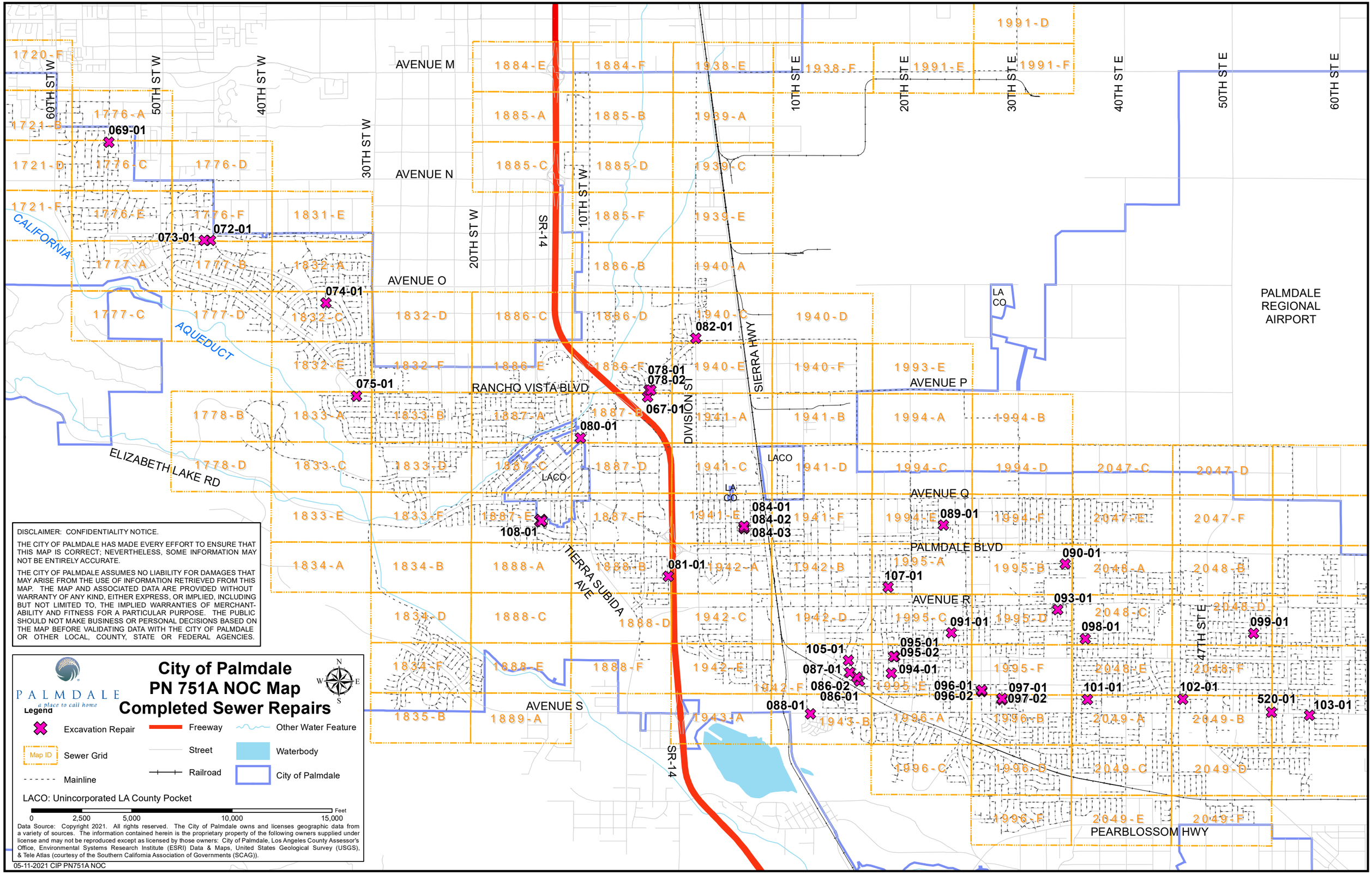
Chuck Heffernan, Director of Public Works

VERIFICATION

I, the undersigned, say: I am the Director of Public Works, the declarant of the foregoing notice of completion; I have read the said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 1, 2021 in the City of Palmdale, California.

Chuck Heffernan, Director of Public Works



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.

THE CITY OF PALMDALE ASSUMES NO LIABILITY FOR DAMAGES THAT MAY ARISE FROM THE USE OF INFORMATION RETRIEVED FROM THIS MAP. THE MAP AND ASSOCIATED DATA ARE PROVIDED WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS, OR IMPLIED, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANT-ABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE PUBLIC SHOULD NOT MAKE BUSINESS OR PERSONAL DECISIONS BASED ON THE MAP BEFORE VALIDATING DATA WITH THE CITY OF PALMDALE OR OTHER LOCAL, COUNTY, STATE OR FEDERAL AGENCIES.

PALMDALE
a place to call home

City of Palmdale
PN 751A NOC Map
Completed Sewer Repairs

N W E S

Legend

- Excavation Repair
- Map ID — Sewer Grid
- Mainline
- Freeway
- Street
- Railroad
- Other Water Feature
- Waterbody
- City of Palmdale

LACO: Unincorporated LA County Pocket

0 2,500 5,000 10,000 15,000 Feet

Data Source: Copyright 2021. All rights reserved. The City of Palmdale owns and licenses geographic data from a variety of sources. The information contained herein is the proprietary property of the following owners supplied under license and may not be reproduced except as licensed by those owners: City of Palmdale, Los Angeles County Assessor's Office, Environmental Systems Research Institute (ESRI) Data & Maps, United States Geological Survey (USGS), & Tele Atlas (courtesy of the Southern California Association of Governments (SCAG)).

05-11-2021 CIP PN751A NOC

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **ALL**

SUBJECT: **AWARD BID NO. 21-001-3100 TO STATE UTILITY SUPPLY, INC. FOR THE PURCHASE OF REPLACEMENT STREETLIGHT POLES AND OTHER RELATED ITEMS IN THE AMOUNT OF $117,368.**

ISSUE

Award Bid No. 21-001-3100 to All-State Utility Supply, Inc. for the purchase of streetlight poles and related items in the amount of $117,368.

RECOMMENDATION

Staff recommends that the City Council:

1. Award Bid No. 21-001-3100 to All-State Utility Supply, Inc. for the purchase of streetlight poles and related items in the amount of $117,368.
2. Authorize the City Manager, or his designee, to execute the purchase order with All-State Utility Supply, Inc., including making minor and non-substantive changes.

BACKGROUND

The City of Palmdale Traffic Signal and Street Lighting Division is responsible for the maintenance of approximately 18,000 street light poles that illuminate the citywide roadway network. As part of maintenance, it is important to quickly respond when replacing any damaged street light poles due to knock downs as a result of a collision. It is necessary to maintain replacement materials in stock to be responsive and conduct repairs in a timely manner.

DISCUSSION

The City released Invitation for Bids (IFB) No. 21-001-3100 Replacement Poles for Streetlight Poles Knocked Down (streetlight pole purchase only) on March 29, 2021. Two (2) vendors responded to the IFB and the bid proposals were evaluated on a fixed unit price basis, lowest responsive bidder.

Bid proposals received and evaluated from All-State Utility Supply, Inc. (Fillmore, CA) and Omega Pacific Electrical Supply, Inc (San Francisco, CA) are summarized in the attached IFB 21-001-3100 Streetlight Pole Purchase Bid Tabulation.

Purchase Order No. 20220001 with All-State Utility Supply, Inc. resulting from the award of IFB 21-001-3100 will be initially for a term of one (1) year (FY 2021-2022) July 11, 2021 through June 30, 2022. The City reserves the right and option to extend the term for two (2) additional one (1) year periods upon mutual consent of the same terms and conditions with the vendor.

FISCAL IMPACT

The blanket Purchase Order amount for Streetlight Poles and Related Items for FY 2021-2022 will not exceed $117,368. Funds are budgeted in the following accounts:

Account No.	Account Description
25232006-732602	Street Light District 1 &4 – Citywide
25632006-732602	Street Light District 2 – Anaverde
25532006-732602	Street Light District 5 – County

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

A. Seek innovative, cost effective, customer focused methods of service delivery.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan, Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. IFB 21-001-3100 Streetlight Pole Purchase Bid Tabulation
2. Purchase Order No. 20220001 All-State Utility Supply, Inc.

BID TABULATION

IFB 21-001-3100 STREETLIGHT POLE PURCHASE

			All-State Utility Supply, Inc. (Fillmmore, CA)		Omega Pacific Electrical Supply, Inc. (San Francisco, CA)	
Item No.	**DESCRIPTION**	**QTY**	**Unit Price**	**Extended Price**	**Unit Price**	**Extended Price**
1	Ameron 1c128 knockdown replacement pole or equivalent	40	1,746.50	$69,860.00	1,781.00	$71,240.00
2	8-foot single arm assembly	10	308.10	$3,081.00	315.00	$3,150.00
3	6-foot single arm assembly	40	240.50	$9,620.00	245.00	$9,800.00
4	Ameron 1C123 knockdown replacementpole or equivalent	10	1,239.50	$12,395.00	1,264.00	$12,640.00
5	Delivery and offloading of poles at City Maintenance Yard (non-taxable)	50	230.00	$11,500.00	227.00	$11,350.00
	Bid Subtotal:		**$3,764.60**	**$106,456.00**	**$3,832.00**	**$108,180.00**
	California Sales Tax 10.25% (4/1/2021)			$10,911.74		$11,088.45
	Estimated Total Cost to City:		**3,764.60**	**$117,367.74**	**$3,832.00**	**$119,268.45**
	Delivery Days After Receiving Order:		8 weeks + or -		8 to 10 weeks	

CITY OF PALMDALE

Purchase Order

PURCHASING DIVISION
PHONE: (661) 267-5444 FAX (661) 267-5454
BILL TO: ACCOUNTS PAYABLE
38300 Sierra Highway
Palmdale, CA 93550
(661) 267-5460

Revisions 001
Expiration Date 06/30/2022

THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # **20220001**

NO SUBSTITUTIONS WITHOUT APPROVAL OF PURCHASING DIVISION. USE CITY OF PALMDALE ADDRESS SPECIFIED BELOW. MERCHANDISE MUST BE DELIVERED TO SPECIFIC DEPARTMENT.

VENDOR
ALL-STATE UTILITY SUPPLY, INC.
PO BOX 102
SANTA MARGARITA, CA 93453

SHIP TO
JEFF NEWMAN
PUBLIC WORKS DEPARTMENT
38250 SIERRA HWY
PALMDALE, CA 93550
Phone: 661-267-5300

Vendor Phone Number	Vendor Fax Number	Requisition Number	Buyer
			Sharon Williams

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
05/13/2021	9451	07/01/2021	DESTINATION/NET 45	ST LIGHT ASSESSMENT DISTRICT

Item#	Description/PartNo	QTY	UOM	Unit Price	Extended Price
	STREETLIGHT POLES (PURCHASE) The Above Purchase Order Number Must Appear On All Correspondence - Packing Sheets And Bills Of Lading				
1	AMERON 1C128 POLE, 8-FOOT SINGLE ARM ASSEMBLY, 6-FOOT SINGLE ARM ASSEMBLY, AMERON 1C123 POLE THIS FY 2021-2022 PURCHASE ORDER RESULTING FROM ifb 21-001-3100 IS PENDING CITY COUNCIL APPROVAL ON JUNE 1, 2021. THE TERM IS ONE YEAR, COMMENCING JULY 1, 2021 WITH CITY RESERVING THE OPTION TO EXTEND THE CONTRACT FOR TWO (2) ADDITIONAL TERMS OF ONE YEAR EACH.	17,605.1	DL	$1.00	$17,605.16
2	AMERON 1C128 POLE, 8-FOOT SINGLE ARM ASSEMBLY, 6-FOOT SINGLE ARM ASSEMBLY, AMERON 1C123 POLE	5,868.3	DL	$1.00	$5,868.39
3	AMERON 1C128 POLE, 8-FOOT SINGLE ARM ASSEMBLY, 6-FOOT SINGLE ARM ASSEMBLY, AMERON 1C123 POLE	93,894.1	DL	$1.00	$93,894.19
	25232006 - 732602 $17,605.16 25532006 - 732602 $93,894.19 25632006 - 732602 $5,868.39				

IMPORTANT: Read Terms and Conditions provided as part of this purchase order

By: _____
Approved City Representative

VENDOR COPY

Sales Tax	$0.00
Order Total	**$117,367.74**

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **4**

SUBJECT: **APPROVE FINAL TRACT MAP NO. 63008 (LOCATED SOUTH OF PALMDALE BLVD. BETWEEN 65TH AND 70TH STREET EAST)**

ISSUE

Approve Final Tract Map No. 63008 (located south of Palmdale Blvd. between 65th and 70th Street East.)

authorize the City Clerk to execute the City Clerk's Statement and Special Assessments Statement and authorize the Acting City Surveyor to execute the City Surveyor's Statement and file the map with the County Recorder.

RECOMMENDATION

Staff recommends that the City Council:

1. Approve Final Tract Map No. 63008; and
2. Authorize the City Clerk to execute City Clerk's Statement and Special Assessments Statement; and
3. Authorize the Acting City Surveyor to execute the City Surveyor's Statement and file the map with the County Recorder.

BACKGROUND

Final Tract Map No. 63008 is a 10.30-acre subdivision, creating forty-one (41) residential lots. All proposed lot sizes and dimensions comply with the City's Zoning Ordinance. The subject property is located south of Palmdale Boulevard. between 65th East and 70th Street East. The applicant for this final tract map is FH II, a California Limited Liability Corporation (also known as Frontier Communities). This tentative tract map was originally approved by the Planning Commission on January 31, 2006, by Resolution No. PC-2006-003. A Time Extension (No. 1) was approved by Planning Commission on December 10, 2015 by Resolution No. PC 2015-061 and a second time extension was approved by the Planning Commission on August 20, 2019 by Resolution PC-2019-031.

DISCUSSION

This final tract map is consistent with the tentative tract map and all final map conditions of approval have been met. The Acting City Land Surveyor has reviewed the final map for technical accuracy and verifies it is in compliant with the Subdivision Map Act. Staff recommends that the City Council approve the final Tract Map No. 63008.

FISCAL IMPACT

There is no fiscal impact associated with this action.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

A. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan P.E., Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Final Tract Map No. 63008

TRACT NO. 63008

IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES,
STATE OF CALIFORNIA
BEING A SUBDIVISION OF A PORTION OF THE SOUTHWEST QUARTER OF THE
NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 26, TOWNSHIP 6
NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL
PLAT OF SAID LAND.

TENTATIVE MAP EXPIRES JANUARY 31, 2022

ANTELOPE VALLEY ENGINEERING, INC.
W.R. GORMAN L.S. 8767

41 LOTS

10.30 ACRES

OWNER'S STATEMENT

WE HEREBY STATE THAT WE ARE THE OWNERS OF OR ARE INTERESTED IN THE LANDS INCLUDED WITHIN THE SUBDIVISION SHOWN ON THIS MAP WITHIN THE DISTINCTIVE BORDER LINES, AND WE CONSENT TO THE PREPARATION AND FILING OF SAID MAP AND SUBDIVISION.

WE FURTHER STATE THAT, EXCEPT AS SHOWN ON THE MAP, WE KNOW OF NO EASEMENTS OR STRUCTURES EXISTING WITHIN THE EASEMENTS HEREBY OFFERED FOR DEDICATION TO THE PUBLIC, OTHER THAN PUBLICLY OWNED WATER LINES, SEWERS, OR STORM DRAINS, THAT WE WILL GRANT NO RIGHT OR INTEREST WITHIN THE BOUNDARIES OF SAID EASEMENTS OFFERED TO THE PUBLIC, EXCEPT WHERE SUCH RIGHT OR INTEREST IS EXPRESSLY MADE SUBJECT TO THE SAID EASEMENTS;

AND WE HEREBY IRREVOCABLY OFFER TO DEDICATE REAL PROPERTY TO THE CITY OF PALMDALE:

AS EASEMENTS FOR PUBLIC PURPOSES ALL STREETS, HIGHWAYS, AND OTHER PUBLIC WAYS SHOWN ON SAID MAP;

AND, WE HEREBY OFFER TO DEDICATE REAL PROPERTY TO THE CITY OF PALMDALE:

IN FEE FOR PUBLIC PURPOSES FOR SANITARY SEWERS, STORM DRAIN SYSTEMS, APPURTENANT STRUCTURES, MAINTENANCE, AND INGRESS AND EGRESS PURPOSES WITHIN AND WITHOUT SAID SUBDIVISION CONSTRUCTED AS PART OF THE IMPROVEMENTS THEREOF.

FH II, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, OWNER

BY:

_____
MARK HICKS
AUTHORIZED SIGNER

NOTARY ACKNOWLEDGMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) S.S.

ON_____ , BEFORE ME,_____
A NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE, PERSONALLY APPEARED
_____MARK HICKS_____
WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME IN HIS AUTHORIZED CAPACITY, AND THAT BY HIS SIGNATURE ON THE INSTRUMENT THE PERSON, OR THE ENTITY UPON BEHALF OF WHICH THE PERSON ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER **PENALTY OF PERJURY** UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND,

_____ _____ _____
SIGNATURE – NOTARY PUBLIC COMMISSION NO. COMMISSION EXPIRES

_____ _____ _____
PRINT NAME – NOTARY PUBLIC PRINCIPAL PLACE OF BUSINESS COUNTY

(NOTARY STAMP NOT REQUIRED PER GOVERNMENT CODE 66436)

SIGNATURE OMISSION NOTES

THE SIGNATURES OF THE PARTIES NAMED HEREINAFTER AS OWNERS OF THE INTEREST SET FORTH, HAVE BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436(a)(3)(A)(i–viii) OF THE SUBDIVISION MAP ACT AS THEIR INTEREST IS SUCH THAT IT CANNOT RIPEN INTO A FEE AND SAID SIGNATURE IS NOT REQUIRED BY THE LOCAL AGENCY.

PULTE HOMES, HOLDER OF AN EASEMENT FOR DRAINAGE PURPOSES PER DOCUMENT RECORDED SEPTEMBER 7, 2004 AS INSTRUMENT NO. 04–2287957 OF OFFICIAL RECORDS, RECORDS OF LOS ANGELES COUNTY. SAID EASEMENT IS BLANKET IN NATURE THEREFORE NOTHING IS SHOWN ON THE MAP SHEETS.

THE CITY OF PALMDALE, HOLDER OF EASEMENTS FOR SANITARY SEWER AND INCIDENTAL PURPOSES PER DOCUMENTS RECORDED OCTOBER 20, 2004 AS INSTRUMENT NO. 04–2707507 AND 04–2707508, BOTH OF OFFICIAL RECORDS, RECORDS OF LOS ANGELES COUNTY.

THE CITY OF PALMDALE, HOLDER OF EASEMENTS FOR PUBLIC ROAD AND HIGHWAY AND INCIDENTAL PURPOSES PER DOCUMENTS RECORDED OCTOBER 20, 2004 AS INSTRUMENT NO. 04–2707512 AND DECEMBER 1, 2005 AS INSTRUMENT NO. 05–2933356, BOTH OF OFFICIAL RECORDS, RECORDS OF LOS ANGELES COUNTY.

LOS ANGELES COUNTY CERTIFICATIONS AND SEALS:

I HEREBY CERTIFY THAT ALL CERTIFICATES HAVE BEEN FILED AND DEPOSITS HAVE BEEN MADE THAT ARE REQUIRED UNDER THE PROVISIONS OF SECTIONS 66492 AND 66493 OF THE SUBDIVISION MAP ACT.

EXECUTIVE OFFICER – CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

BY _____ DATE _____
DEPUTY

I HEREBY CERTIFY THAT SECURITY IN THE AMOUNT OF $_____ HAS BEEN FILED WITH THE EXECUTIVE OFFICER, BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AS SECURITY FOR THE PAYMENT OF TAXES AND SPECIAL ASSESSMENTS COLLECTED AS TAXES ON THE LAND SHOWN ON MAP OF TRACT NO. 63008 AS REQUIRED BY LAW.

EXECUTIVE OFFICER – CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

BY _____ DATE _____
DEPUTY

SURVEYOR'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF FRONTIER COMMUNITIES IN DECEMBER, 2020. I HEREBY STATE THAT THIS SUBDIVISION MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE TRACT MAP, IF ANY; THAT THE MONUMENTS OF THE CHARACTER AND LOCATIONS SHOWN HEREON ARE IN PLACE, OR WILL BE IN PLACE WITHIN TWENTY–FOUR MONTHS FROM THE FILING DATE OF THIS MAP; AND THAT SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED AND THAT TIE NOTES TO ALL CENTERLINE MONUMENTS SHOWN AS 'TO BE SET' WILL BE ON FILE IN THE OFFICE OF THE CITY ENGINEER WITHIN TWENTY–FOUR MONTHS FROM THE FILING DATE SHOWN HEREON.

PRELIMINARY-FOR REVIEW PURPOSES ONLY

W.R. Gorman (DIGITALLY SIGNED 5/7/2021)
W.R. GORMAN, L.S. 8767 DATE
EXPIRES: 12/31/2022

LICENSED LAND SURVEYOR
W.R. GORMAN
Exp. 12/31/22
NO. 8767
STATE OF CALIFORNIA

CITY SURVEYOR'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP, THAT IT CONFORMS SUBSTANTIALLY TO THE TENTATIVE MAP AND ALL APPROVED ALTERATIONS THEREOF; THAT ALL PROVISIONS OF APPLICABLE STATE LAW AND SUBDIVISION ORDINANCES OF THE CITY OF PALMDALE APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP HAVE BEEN COMPLIED WITH; AND THAT I AM SATISFIED THAT THIS MAP IS TECHNICALLY CORRECT.

_____ _____
DATE: FREDERICK R. JONES JR.
ACTING CITY SURVEYOR

LICENSED LAND SURVEYOR
FREDERICK R. JONES JR.
NO. 5458
STATE OF CALIFORNIA

CITY CLERK'S STATEMENT

I, SHANNAE S. SMITH, CITY CLERK OF THE CITY OF PALMDALE, DO HEREBY STATE THAT THIS MAP WAS PRESENTED FOR APPROVAL TO THE CITY OF PALMDALE CITY COUNCIL AT A REGULAR MEETING THEREOF, HELD ON THE _____DAY OF _____2021, AND THAT THEREUPON SAID COUNCIL DID, BY AN ORDER DULY PASSED AND ENTERED, APPROVE SAID MAP;

AND ON BEHALF OF THE PUBLIC, SAID COUNCIL DID:

REJECT THE IRREVOCABLE OFFER TO DEDICATE REAL PROPERTY AS EASEMENTS FOR PUBLIC PURPOSES ALL STREETS, HIGHWAYS AND OTHER PUBLIC WAYS, AS SHOWN ON SAID MAP.

ACCEPT THE OFFER OF DEDICATION AND GRANT IN FEE FOR PUBLIC PURPOSES FOR SANITARY SEWERS, STORM DRAIN SYSTEMS, APPURTENANT STRUCTURES, MAINTENANCE AND INGRESS AND EGRESS PURPOSES WITHIN AND WITHOUT SAID SUBDIVISION AS CONSTRUCTED AS PART OF THE IMPROVEMENTS THEREOF.

_____ _____
DATE: SHANNAE S. SMITH
CITY CLERK – CITY OF PALMDALE

SPECIAL ASSESSMENT STATEMENT

I HEREBY STATE THAT ALL SPECIAL ASSESSMENTS LEVIED UNDER THE JURISDICTION OF THE CITY OF PALMDALE TO WHICH THE LAND INCLUDED IN THE WITHIN SUBDIVISION OR ANY PART THEREOF IS SUBJECT, AND WHICH MAY BE PAID IN FULL, HAVE BEEN PAID IN FULL.

_____ _____
DATE: SHANNAE S. SMITH
CITY CLERK – CITY OF PALMDALE

BASIS OF BEARINGS

THE BEARINGS SHOWN HEREON ARE BASED ON THE BEARING OF NORTH 88°59'27" WEST BEING THE NORTH LINE OF THE SOUTHEAST QUARTER OF SECTION 26, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN (CENTERLINE OF PALMDALE BLVD) AS SHOWN ON TRACT NO. 49147–5 RECORDED IN BOOK 1317, PAGES 81 TO 86 INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY.

SOILS REPORT NOTE

IN ACCORDANCE WITH SECTION 66434.5 OF THE SUBDIVISION MAP ACT, A SOILS REPORT WAS PREPARED ON JANUARY 5, 2021 BY GEOTEK, INC., PROJECT NO. 2569–CR, AND IS ON FILE IN THE OFFICE OF THE CITY ENGINEER.

MONUMENTATION NOTE

SPIKE AND WASHER TAGGED "L.S. 8767" TO BE SET FLUSH AS SHOWN ON MAP.

2" IRON PIPE TO BE SET 6" DOWN AS SHOWN ON MAP.

LEAD, TACK AND TAG "L.S. 8767" TO BE SET IN TOP OF CURBS AT PROLONGATION OF ALL LOT LINES

SCALE 1"=100'

TRACT NO. 63008

SHEET 2 OF 5 SHEETS

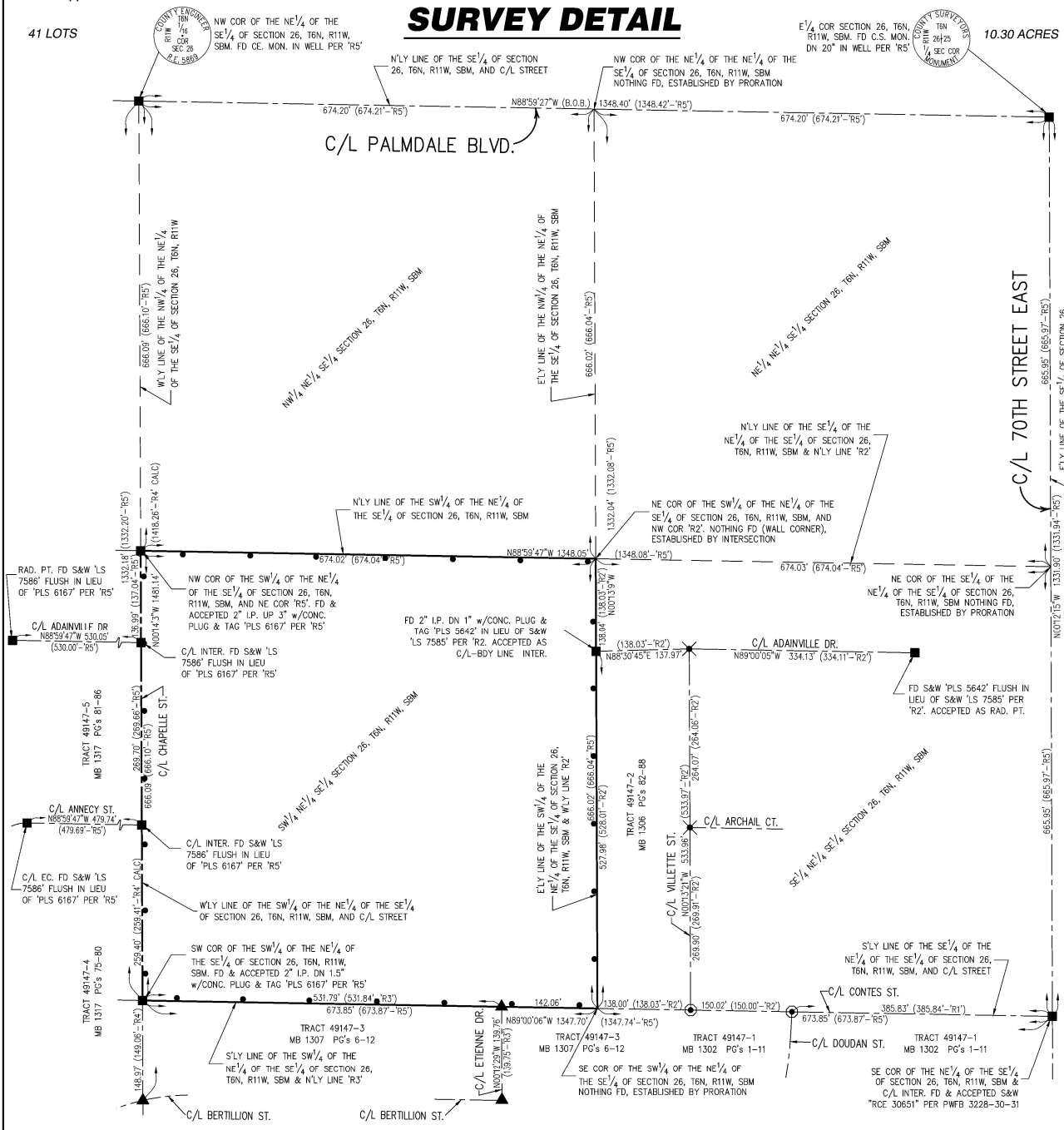
IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

W.R. GORMAN L.S. 8767

SURVEY DETAIL

41 LOTS

10.30 ACRES



LEGEND

- ■ INDICATES FOUND MONUMENT AS DESCRIBED
- ▲ INDICATES FOUND S&W 'LS 5642' FLUSH IN LIEU OF 'LS 7585' PER TRACT 49147-3, MB 1307, PG's 6-12. ACCEPTED FOR C/L INTER.
- ⊙ INDICATES FOUND S&W 'LS 5642' FLUSH PER TRACT 49147-1, MB 1302, PG's 1-11. ACCEPTED FOR C/L INTER.
- ✕ INDICATES FOUND S&W 'PLS 5642' FLUSH IN LIEU OF S&W 'LS 7585' PER TRACT 49147-2, MB 1306, PG's 82-88. ACCEPTED FOR C/L INTER.
- 'R1' INDICATES TRACT NO. 49147-1, M.B. 370, PG's 81-86
- 'R2' INDICATES TRACT NO. 49147-2, M.B. 370, PG's 81-86
- 'R3' INDICATES TRACT NO. 49147-3, M.B. 370, PG's 81-86
- 'R4' INDICATES TRACT NO. 49147-4, M.B. 370, PG's 81-86
- 'R5' INDICATES TRACT NO. 49147-5, M.B. 370, PG's 81-86
- ( ) INDICATES RECORD DISTANCE PER INDICATED REFERENCE

INDICATES THE BOUNDARY OF THE LAND BEING SUBDIVIDED BY THIS MAP.

SCALE 1"=60'

TRACT NO. 63008

SHEET 3 OF 5 SHEETS

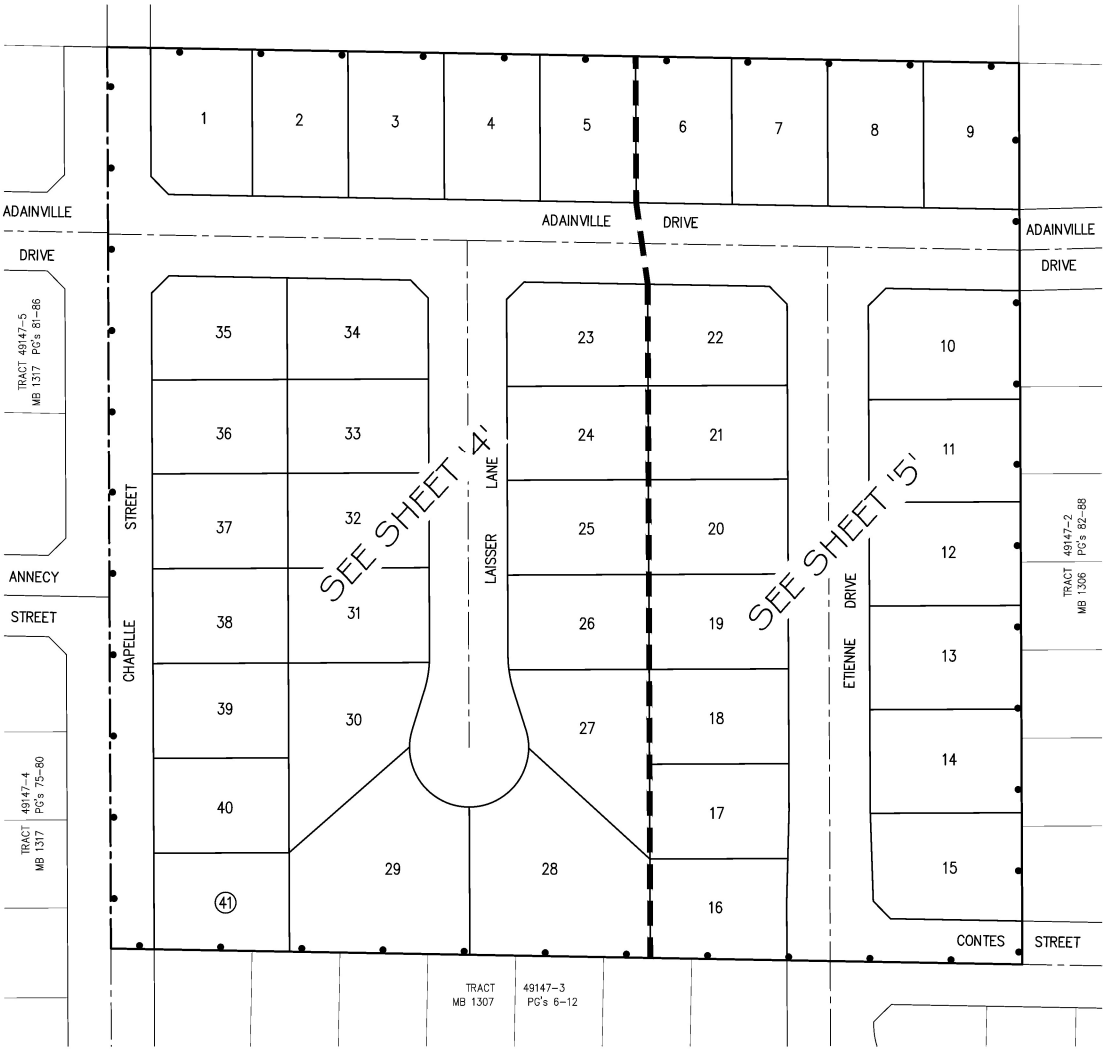
IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES,
STATE OF CALIFORNIA

W.R. GORMAN L.S. 8767

41 LOTS

10.30 ACRES

SHEET INDEX MAP



LEGEND

INDICATES THE BOUNDARY OF THE LAND BEING SUBDIVIDED BY THIS MAP.

SCALE 1"=40'

TRACT NO. 63008

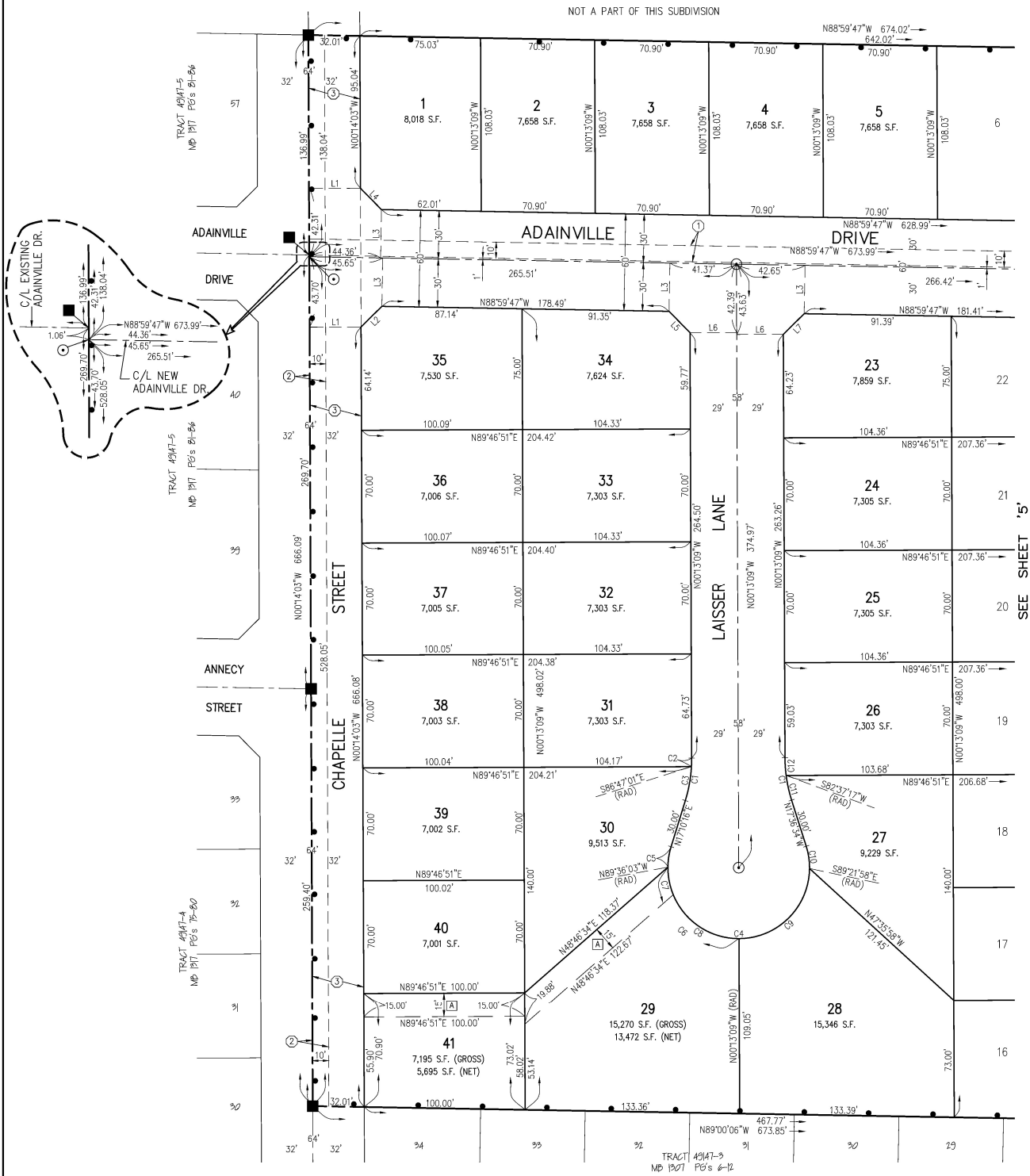
SHEET 4 OF 5 SHEETS

IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES,
STATE OF CALIFORNIA

W.R. GORMAN L.S. 8767

41 LOTS

10.30 ACRES



LEGEND

- ■ INDICATES FOUND MONUMENT AS DESCRIBED ON SHEET 2
- ⊙ INDICATES SPIKE AND WASHER "L.S. 8767" TO BE SET FLUSH

NOTE: LEAD, TACK AND BRASS TAG, "L.S. 8767", TO BE SET ON TOP OF CURB FOR ALL LOT LINE PROLONGATIONS (NO SYMBOL ON MAP)

- (#) INDICATES EXISTING EASEMENT PER NOTES HEREON
- [A] INDICATES 15' WIDE EASEMENT TO PALMDALE WATER DISTRICT FOR WATER PIPELINE PURPOSES TO BE DEDICATED BY SEPARATE DOCUMENT.

INDICATES THE BOUNDARY OF THE LAND BEING SUBDIVIDED BY THIS MAP.

LINE DATA TABLE		
L#	BEARING	DISTANCE
L1	N89°45'57"E	32.00'
L2	N45°22'57"E	18.18'
L3	N01°00'13"E	30.00'
L4	N44°36'55"W	18.58'
L5	N44°36'28"W	18.58'
L6	N89°46'51"E	29.00'
L7	N45°23'32"E	18.19'

CURVE DATA TABLE				
C#	DELTA	RADIUS	LENGTH	TANGENT
C1	17°23'25"	88.00'	26.71'	13.46'
C2	3°26'08"	88.00'	5.28'	2.64'
C3	13°57'17"	88.00'	21.43'	10.77'
C4	214°46'50"	44.00'	164.94'	–
C5	16°46'19"	44.00'	12.88'	6.49'
C6	90°37'06"	44.00'	69.59'	44.48'
C7	22°45'34"	44.00'	17.48'	8.86'
C8	67°51'32"	44.00'	52.11'	29.60'
C9	89°08'49"	44.00'	68.46'	43.35'
C10	18°14'36"	44.00'	14.01'	7.06'
C11	10°13'51"	88.00'	15.71'	7.88'
C12	7°09'34"	88.00'	11.00'	5.51'

EXISTING EASEMENTS

1. EXISTING 10' WIDE EASEMENT OF THE CITY OF PALMDALE FOR SANITARY SEWER AND INCIDENTAL PURPOSES PER DOCUMENT RECORDED OCTOBER 20, 2004 AS INSTRUMENT NO. 04-2707507 OF OFFICIAL RECORDS.
2. EXISTING 10' WIDE EASEMENT OF THE CITY OF PALMDALE FOR SANITARY SEWER AND INCIDENTAL PURPOSES PER DOCUMENT RECORDED OCTOBER 20, 2004 AS INSTRUMENT NO. 04-2707508 OF OFFICIAL RECORDS.
3. EXISTING 32' WIDE EASEMENT OF THE CITY OF PALMDALE FOR PUBLIC ROAD AND HIGHWAY AND INCIDENTAL PURPOSES PER DOCUMENT RECORDED DECEMBER 1, 2005 AS INSTRUMENT NO. 05-2933356 OF OFFICIAL RECORDS.

SCALE 1"=40'

TRACT NO. 63008

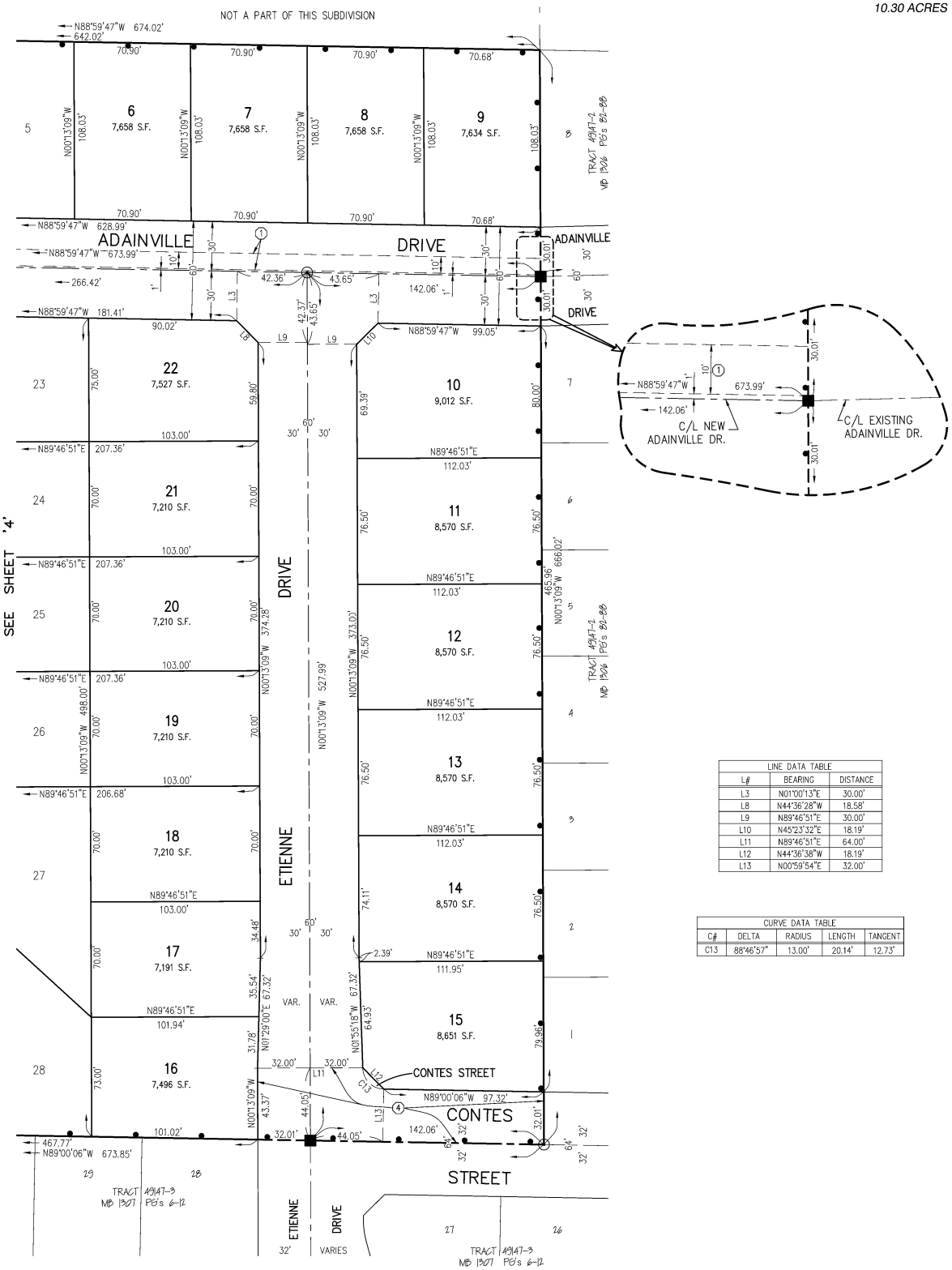
SHEET 5 OF 5 SHEETS

IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES,
STATE OF CALIFORNIA

W.R. GORMAN L.S. 8767

41 LOTS

10.30 ACRES



LINE DATA TABLE		
L#	BEARING	DISTANCE
L3	N01°00'13"E	30.00'
L8	N44°36'28"W	18.58'
L9	N89°46'51"E	30.00'
L10	N45°23'32"E	18.19'
L11	N89°46'51"E	64.00'
L12	N44°36'38"W	18.19'
L13	N00°59'54"E	32.00'

CURVE DATA TABLE				
C#	DELTA	RADIUS	LENGTH	TANGENT
C13	88°46'57"	13.00'	20.14'	12.73'

LEGEND

- ■ INDICATES FOUND MONUMENT AS DESCRIBED ON SHEET 2
- ⊙ INDICATES SPIKE AND WASHER "L.S. 8767" TO BE SET FLUSH

LEAD, TACK AND BRASS TAG, "L.S. 8767", TO BE SET ON TOP OF CURB FOR ALL LOT LINE PROLONGATIONS (NO SYMBOL ON MAP)

(#) INDICATES EXISTING EASEMENT PER NOTES HEREON

INDICATES THE BOUNDARY OF THE LAND BEING SUBDIVIDED BY THIS MAP.

EXISTING EASEMENTS

(1) EXISTING 10' WIDE EASEMENT OF THE CITY OF PALMDALE FOR SANITARY SEWER AND INCIDENTAL PURPOSES PER DOCUMENT RECORDED OCTOBER 20, 2004 AS INSTRUMENT NO. 04-2707507 OF OFFICIAL RECORDS.

(4) EXISTING VARIABLE WIDTH EASEMENT OF THE CITY OF PALMDALE FOR PUBLIC ROAD AND HIGHWAY AND INCIDENTAL PURPOSES PER DOCUMENT RECORDED OCTOBER 20, 2004 AS INSTRUMENT NO. 04-2707512 OF OFFICIAL RECORDS.

MINUTES
CITY COUNCIL/SUCCESSOR AGENCY/PALMDALE CIVIC AUTHORITY/PALMDALE FINANCING AUTHORITY
CITY HALL COUNCIL CHAMBER
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
MAY 4, 2021

www.cityofpalmdale.org

1) CALL TO ORDER 5:00 P.M. CLOSED SESSION SPECIAL MEETING.

Mayor Pro Tem Bettencourt called the meeting to order at 5:00 p.m.

2) ROLL CALL: MAYOR HOFBAUER, MAYOR PRO TEM BETTENCOURT, COUNCILMEMBERS CARRILLO, LOA, AND BISHOP

PRESENT: Laura Bettencourt, Richard J Loa, Juan Carrillo.
ABSENT: Steven Hofbauer, Austin Bishop.
Motion: Excuse the absence of Mayor Hofbauer and Councilmember Bishop.
Moved by Laura Bettencourt, seconded by Juan Carrillo.

Vote: Motion carried (3-0)
Yes: Laura Bettencourt, Richard J Loa, Juan Carrillo.
Absent: Austin Bishop.

3) PUBLIC COMMENTS.

Public Comments: None.

4) PRESENTATION BY CITY ATTORNEY OF THE FOLLOWING ITEM(S) TO BE DISCUSSED IN CLOSED SESSION:

City Attorney Beck confirmed the items would be heard as listed on the agenda.

Councilmember Loa made a motion to not consider a personnel matter that was brought to the attention of all Councilmembers, the motion died for lack of a second.

4.1) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATIONInitiation of litigation pursuant to paragraph (4) of subdivision(d) of Section 54956.9: Number of cases – Two.

4.2) CONFERENCE WITH LABOR NEGOTIATORS City representatives: City Manager, Assistant City Manager & Human Resources Manager Employee Organization: California Teamsters Local 911 Public, Professional & Medical Employees Union (on behalf of City Maintenance Staff) This Closed Session is being held pursuant to the authority of California Government Code Section 54957.6.
City Attorney's Office

5) ANNOUNCEMENT BY CITY ATTORNEY OF ITEM(S) DISCUSSED IN CLOSED SESSION.

Item 4.1 Anticipated Litigation – Number of Cases 2 – The Council gave unanimous direction as to one item, with Councilmember Bishop and Mayor Hofbauer absent. The other case was not discussed. There is no further reportable action.

Item 4.2 Labor Negotiations – This matter was not discussed. There is no reportable action.

6) ADJOURN CLOSED SESSION MEETING.

Mayor Pro Tem Bettencourt adjourned the meeting at 6:59 p.m.

18) ADJOURNMENT.

Mayor Pro Tem Bettencourt announced the 7:00 p.m. City Council meeting was canceled due to a lack of quorum.

PASSED, APPROVED, and ADOPTED this 1st day of June 2021.

_____
Steven D. Hofbauer, Mayor

ATTEST:

_____
Shanae S. Smith, City Clerk

MINUTES
CITY COUNCIL/SUCCESSOR AGENCY/PALMDALE CIVIC AUTHORITY/PALMDALE FINANCING AUTHORITY
CITY HALL COUNCIL CHAMBER
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
MAY 6, 2021

www.cityofpalmdale.org

1) CALL TO ORDER 6:00 P.M. CLOSED SESSION SPECIAL MEETING.

Mayor Pro Tem Bettencourt called the meeting to order at 6:00 p.m.

2) ROLL CALL: MAYOR HOFBAUER, MAYOR PRO TEM BETTENCOURT, COUNCILMEMBERS CARRILLO, LOA, AND BISHOP

PRESENT: Laura Bettencourt, Juan Carrillo, Austin Bishop, Richard J. Loa.

ABSENT: Steven Hofbauer.

Motion: Excuse the absence of Mayor Hofbauer.
Moved by Laura Bettencourt, seconded by Juan Carrillo.

Vote: Motion carried (4-0)
Yes: Laura Bettencourt, Juan Carrillo, Austin Bishop, Richard J. Loa.

3) PUBLIC COMMENTS.

Public Comments: None.

4) PRESENTATION BY CITY ATTORNEY OF THE FOLLOWING ITEM (S) TO BE DISCUSSED IN CLOSED SESSION:

City Attorney Beck confirmed the items would be heard as listed on the agenda.

4.1) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Initiation of litigation pursuant to paragraph (4) of subdivision(d) of Section 54956.9: Number of cases – One.

4.2) CONFERENCE WITH LABOR NEGOTIATORS
City representatives: City Manager, Assistant City Manager & Human Resources Manager Employee Organization: California Teamsters Local 911 Public, Professional & Medical Employees Union (on behalf of City Maintenance Staff) This Closed Session

is being held pursuant to the authority of California Government Code Section 54957.6.

5) ANNOUNCEMENT BY CITY ATTORNEY OF ITEM(S) DISCUSSED IN CLOSED SESSION.

Item 4.1 Anticipated Litigation – Number of Cases 1 – The Council gave unanimous direction to staff, with Mayor Hofbauer absent. There is no further reportable action.

Item 4.2 Labor Negotiations – The Council gave unanimous direction to labor negotiators, with Mayor Hofbauer absent. There is no further reportable action.

6) ADJOURN CLOSED SESSION MEETING.

Mayor Pro Tem Bettencourt adjourned the meeting at 6:59 p.m.

7) CALL TO ORDER 7:00 P.M. City Council/Successor Agency/Palmdale Civic Authority/Palmdale Financing Authority

Mayor Pro Tem Bettencourt called the meeting to order at 7:00 p.m.

8) PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE IN HONOR OF OUR TROOPS.

9) ROLL CALL: MAYOR/CHAIR HOFBAUER, MAYOR PRO TEM/VICE CHAIR BETTENCOURT; COUCILMEMBERS/DIRECTORS CARRILLO, LOA, BISHOP

PRESENT: Laura Bettencourt, Juan Carrillo, Austin Bishop, Richard J. Loa.
ABSENT: Steven Hofbauer.
Motion: Excuse the absence of Mayor Hofbauer.
Moved by Laura Bettencourt, seconded by Juan Carrillo.

Vote: Motion carried (4-0)
Yes: Laura Bettencourt, Juan Carrillo, Austin Bishop, Richard J. Loa.

10) PRESENTATIONS:

10.1) City Manager Murphy presented a Proclamation to the City Clerk Department staff declaring May 2nd - May 8th, 2021 as Professional Municipal Clerks Week in the City of Palmdale.

10.2) City Manager presented a proclamation to the Public Works Department declaring May 16th - May 22nd, 2021 as "National Public Works Week" in the City of Palmdale.

10.3) Public Safety Supervisor German presented pictures of the cute critters that were available for adoption from our Palmdale Animal Care Center.

11) WAIVER OF FULL READING OF RESOLUTION(S) and ORDINANCE (S)

Motion: Waive full reading of the Resolution (s) and/or Ordinance(s) to be considered and voted on at this meeting.
Moved by Juan Carrillo, seconded by Richard J. Loa.

Vote: Motion carried (4-0)
Yes: Laura Bettencourt, Juan Carrillo, Austin Bishop, Richard J. Loa.

12) PUBLIC COMMENTS

Challen David, Library Board Trustee, spoke in support of item 13.5.

13) CONSENT CALENDAR:

13.1) Receive and file the Monthly and Quarterly Investment Activity Report for March 2021. (Staff Reference: Finance Manger Kang)

13.2) Adopt Resolution No. CC 2021-050, A Resolution of the City Council of the City of Palmdale to Continue the Proclamation of a Local Emergency resulting from Coronavirus Disease (COVID-19). (Staff Reference: Finance Manager Kang)
City Manager's Office - Finance Division

13.3) Adopt a Joint Resolution No. CC 2021-029, Inclusive of SA 2021-003, of the City Council of the City of Palmdale and the Successor Agency to the Community Redevelopment Agency of the City of Palmdale, Stating the Investment Policy for the Investments and for Contributions to the Retiree Health Plans for the City and the Successor Agency and Repealing Resolutions No. CC 2020-002, CC 2020-003, SA 2020-001, AND SA 2020-002. (Staff Reference: Finance Manager Kang)

13.4) Authorize the City Manager and Finance Manager/Treasurer to accept proposal from Western Alliance Bank in connection with refinancing of the City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) Special Tax Bonds and execute professional services agreements with the municipal advisor, bond counsel and placement agent. (Staff Reference: Finance Manager Kang)

13.5) Approve the Board of Library Trustees Recommendation to Eliminate the Policy and Practice of Charging Fines for Overdue Library Materials and Determine an Effective Date. (Staff Reference: Parks and Recreation Manager Dombrowski)

Councilmember Bishop pulled this item for discussion.

Recreation Manager Dombroski provided a brief overview of the staff report. Library Director Shupe provided further clarification

on the removal of the charging of fines for materials turned in late. Councilmembers spoke in support of this item.

Motion: Approve the Board of Library Trustees Recommendation to Eliminate the Policy and Practice of Charging Fines for Overdue Library Materials.
Moved by Austin Bishop, seconded by Richard J. Loa.

Vote: Motion carried (4-0)
Yes: Laura Bettencourt, Juan Carrillo, Austin Bishop, Richard J. Loa.

13.6) Adopt Resolution No. CC 2021-025, a Resolution of the City Council of the City of Palmdale directing preparation of the Annual Engineer's Report for the continuation of the Drainage Benefit Assessment Districts No. 1, and No. 2006-02 for fiscal year 2021/2022. (Staff Reference: Director of Public Works Heffernan)

13.7) Adopt Resolution No. CC 2021-026, a Resolution of the City Council of the City of Palmdale directing preparation of the combined Annual Engineer's Report for the continuation of the Landscape Maintenance Assessment Districts and Annexations for fiscal year 2021/2022. (Staff Reference: Director of Public Works Heffernan)

13.8) Adopt Resolution No. CC 2021-027, a Resolution of the City Council of the City of Palmdale directing preparation of the annual Engineer's Report for the continuation of the Park and Maintenance and Recreation Improvement District for fiscal year 2021/2022. (Staff Reference: Director of Public Works Heffernan)

13.9) Adopt Resolution No. CC 2021-028, a Resolution of the City Council of the City of Palmdale directing preparation of the combined Annual Engineer's Report for the continuation of the Streetlight Maintenance Assessment Districts and Annexations for fiscal year 2021/2022. (Staff Reference: Director of Public Works Heffernan)

13.10) Reject all bids for Project No 804, Saves Generator and Enclosure Project. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

13.11) Notice of Completion - Accept completion of Capital Project No. 709, Rancho Vista Boulevard Widening Gap Closure Project. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

Councilmember Loa pulled this item for discussion. Deputy Director of Public Works Glidden was available for questions. Councilmember Loa commended the residents for enduring the delay and the disruption of the traffic pattern, and everyone involved in the project.

Motion: Notice of Completion - Accept completion of Capital Project No. 709, Rancho Vista Boulevard Widening Gap Closure Project.
Moved by Austin Bishop, seconded by Richard J. Loa.

Vote: Motion carried (4-0)
Yes: Laura Bettencourt, Juan Carrillo, Austin Bishop, Richard J. Loa.

13.12) Notice of Completion - Accept Capital Project No. 783, Chimbole Cultural Center Lighting Improvements. (Staff Reference: Director of Public Work Heffernan - Presented by Deputy Director of Public Works Glidden)

13.13) Approve Funding Agreement with Caltrans to provide California Public Utilities Commissions, CPUC, funds for Project STPLR-7500(285), Rancho Vista Boulevard and Sierra Highway Railroad Grade Crossing Program in the amount of $3,730,860. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

Councilmember Carrillo pulled this item for discussion. Deputy Director of Public Works Glidden provided a brief overview of the project to Council.

Motion: Approve Funding Agreement with Caltrans to provide California Public Utilities Commissions, CPUC, funds for Project STPLR-7500(285), Rancho Vista Boulevard and Sierra Highway Railroad Grade Crossing Program in the amount of $3,730,860.
Moved by Austin Bishop, seconded by Richard J. Loa.

Vote: Motion carried (4-0)
Yes: Laura Bettencourt, Juan Carrillo, Austin Bishop, Richard J. Loa.

13.14) Adopt Resolution No. CC 2021-053, a Resolution of Necessity of the City Council of the City of Palmdale approving City Council take action outside of its jurisdiction. (Staff Reference: City Manager Murphy)

This item was taken out of order and pulled for discussion. Councilmember Bishop recused himself from the discussion item.

City Attorney Beck clarified that the item is necessary to provide Council with the ability to take action outside of its jurisdiction.

Motion: Adopt Resolution No. CC 2021-053.
Moved by Richard J. Loa, seconded by Laura Bettencourt.

Vote: Motion carried (3-0)
Yes: Laura Bettencourt, Juan Carrillo, Richard J. Loa.

13.15) CC/SA/PCA/PFA - Approve the minutes from the previous meetings. (Staff Reference: City Clerk/Agency Secretary Smith)

CC – April 6, 2021 (5:00 p.m. & 7:00 p.m.)
CC - April 20, 2021 (6:00 p.m. & 7:00 p.m.)
PCA - June 2, 2020 (7:00 p.m.)
PCA - January 12, 2021 (7:00 p.m.)
PCA - March 2, 2021 (7:00 p.m.)
PFA - March 2, 2021 (7:00 p.m.)
SA - April 6, 2021 (7:00 p.m.)

Motion: Approve all items listed on the Consent Calendar with the exception if items 13.5, 13.11, 13.13, and 13.14.
Moved by Austin Bishop, seconded by Juan Carrillo.

Vote: Motion carried (4-0)
Yes: Laura Bettencourt, Juan Carrillo, Austin Bishop, Richard J. Loa.

14) NEW BUSINESS:

14.1) Approve Agreement with The Wellbeing Lab dba Louis Alloro, LLC to initiate and implement a training and coaching program that pairs wellbeing and change in communities and organizations to help create and sustain a robust solution to the health and economic challenges in communities, in the amount of $295,000. (Staff Reference: City Manager Murphy - Presented by Management Analyst II, Lopez)

Management Analyst II Lopez provided a brief overview of the staff report and introduced Mr. Louis Alloro of The Wellbeing Lab who spoke regarding the Leadership Wellbeing Initiative. Discussion ensued regarding meetings with the stakeholders, techniques and resources for the Antelope Valley community, and mental health.

Motion: Approve Agreement with The Wellbeing Lab dba Louis Alloro, LLC.
Moved by Austin Bishop, seconded by Laura Bettencourt.

Vote: Motion carried (4-0)
Yes: Laura Bettencourt, Juan Carrillo, Austin Bishop, Richard J. Loa.

14.2) Adopt Resolutions Nos. CC 2021-051, PFA 2021-001, and PCA 2021-001, approving the form and authorizing execution of certain lease financing documents in connection with the refunding of the City of Palmdale Taxable Certificates of Participation (2007 Land Acquisition Financing Project) and authorizing and directing certain actions with respect thereto. (Staff Reference: Finance Manager Kang)

Finance Manager Kang provided a brief overview of the staff report. Mr. Kang introduced Suzanne Harrell, Municipal Advisor, and Brian Quint, Bond Counsel to answer Council questions and provide clarification. Councilmember Carrillo requested an in-depth briefing on this item from staff.

Motion: Adopt Resolutions Nos. CC 2021-051, PFA 2021-001, and PCA 2021-001.
Moved by Austin Bishop, seconded by Juan Carrillo.

Vote: Motion carried (4-0)
Yes: Laura Bettencourt, Juan Carrillo, Austin Bishop, Richard J. Loa.

15) INFORMATIONAL REPORT FROM MAYOR AND / OR COUNCILMEMBERS ON THEIR VARIOUS COMMITTEE MEMBERSHIPS AND MEETINGS ATTENDED AT PUBLIC EXPENSE.

15.1) VARIOUS COMMITTEE MEMBERSHIPS. Attachments: Committee Membership Memos from Councilmember Bettencourt, Councilmember Bishop, and Councilmember Carrillo

- ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT - Councilmember Bishop reported approximately $140,000 was disbursed in grants for new equipment to local businesses.
- ANTELOPE VALLEY TRANSIT AUTHORITY - Councilmember Loa reported attending the meeting on April 27th and that AVTA is leading the nation in electrifying bus transportation and moving completely away from diesel buses, and a wellness center was inaugurated.
- LOS ANGELES COUNTY SANITATION DISTRICT - Councilmember Loa attended the meeting.
- NORTH LOS ANGELES COUNTY TRANSPORTATION COALITION - Councilmember Bishop attended the meeting, and reported updates received on Metro, Caltrans, and various

agencies related to transportation and the goals to make transportation better.

- PALMDALE RECYCLED WATER AUTHORITY - Councilmember Bishop attended the meeting, and reported more potable water options are being considered.
- SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS REGIONAL COUNCIL - Councilmember Carrillo attended the SCAG annual virtual meeting, and reported on SB-9 regarding subdividing property.

Councilmember Loa reported he was on Spanish Radio and several items were discussed which included mental health, and urging the community to participate in the redistricting process. He attended the Palmdale Sheriff's Booster Club, and announced a car show will be held at the Antelope Valley Mall on June 6, 2021.

Mayor Pro Tem Bettencourt announced the Police Officer's Memorial celebration would be held on May 11th at 9am in Poncitlan Square, and an event would be held on Memorial Day at 9am in Poncitlan Square honoring veterans.

15.2) MEETINGS ATTENDED AT PUBLIC EXPENSE.

15.3) CITY MANAGER'S REPORT.

City Manager Murphy announced the City of Palmdale and Lancaster would have a joint meeting on May 10, 2021 at 5:30 p.m. at the Antelope Valley Performing Arts Theatre.

City Manager Murphy announced eleven members applied for the Redistricting Advisory Committee. Councilmember Loa requested a two-week extension for applications.

16) CITY COUNCIL REQUESTS FOR NEW AGENDA ITEMS.

Councilmember Carrillo requested briefings on bond financing item 13.4.

Council discussion ensued regarding electric charging stations. Council directed staff to bring back a report and to communicate with Antelope Valley Transit Authority and the Antelope Valley Quality Management District regarding different programs.

Councilmember Carrillo requested a briefing on the Park and Maintenance and Recreation Improvement District and the status of the Workforce Housing Project. Mr. Carrillo asked the Council to request staff to review the potential of adding grass at Yellen park. City Manager Murphy stated within sixty days there will be a comprehensive plan for Yellen park and an update.

17) ADJOURNMENT.

Mayor Pro Tem Bettencourt adjourned the meeting at 8:31 p.m. to May 18, 2021 at 7:00 p.m. in the City Hall Council Chamber located at 38300 Sierra Highway, Suite B, Palmdale, California.

PASSED, APPROVED, and ADOPTED this 1st day of June 2021.

_____
Steven D. Hofbauer, Mayor

ATTEST:

_____
Shanae S. Smith, City Clerk

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **OFFICE OF THE CITY MANAGER**
OFFICE OF THE CITY CLERK

DISTRICT: **ALL**

SUBJECT: **APPROVE NOMINATIONS FOR APPOINTMENTS TO THE PUBLIC ARTS COMMISSION**

ISSUE

Approve nominations for appointments to the Public Arts Commission.

RECOMMENDATION

Staff recommends pursuant to Ordinance No. 1534, that the City Council ratify nominations for appointment to the Public Arts Commission as follows:

1. Appoint the following individuals nominated by Mayor and City Council to serve as Committee Member on the Public Arts Commission:

1. Brandon Singleton	5. Darrell Walters
2. Warren Scherich	6. Michael Ross
3. Doug Grove	7. Christina Fraga-Saenz
4. Nathaniel Ancheta	

BACKGROUND

At the November 17, 2020 City Council meeting, the City Council approved Ordinance No. 1534, amending title 15 of the Palmdale Municipal Code establishing requirements for the inclusion of public art in public and private development projects, establishing a development for public art and created a Public Art fund.

DISCUSSION

Pursuant to the Public Art Ordinance No. 1534, the City established the Public Art Commission, which shall consist of seven (7) members who shall have professional credentials and work experience as exhibiting and performing artists in the visual and media arts, contemporary museum and gallery art curators/directors, arts management, professionals, arts educators, design professionals such as architects, landscape architects, and urban planners.

A Notice of Vacancy was advertised in the AV Press as required and advertised for interested citizens to apply. The Communications division also provided a press release

to the public, including the application submittal deadline. The Classified Ad and the application were made available on the City's website as well as in the Office of the City Clerk. Staff received twenty-four applications by the April 8, 2021 1:00 p.m. application submittal deadline. Ordinance No. 1561 allows for Mayor and City Councilmembers to nominate a member to a Board or Commission. Should candidates nominated by the Mayor and Councilmembers fail to be approved by a majority vote, another candidate will be nominated until someone is approved by the Council.

After review of the applications, staff categorized each qualifying applicant as follows:

Professional Artists (2 required)	**Arts Management/Advocacy (2 required)**
1. Brandon Singleton	5. Darrell Walters
2. Warren Scherich	6. Michael Ross
Design Professionals (2 required)	**Professional Artists (2 required)**
3. Doug Grove	7. Christina Fraga-Saenz
4. Nathaniel Ancheta	

FISCAL IMPACT

There is no fiscal impact associated with this item, as member positions do not receive compensation for service.

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.

Prepared by:	Shanae Smith, City Clerk
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

None

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **OFFICE OF THE CITY MANAGER**
OFFICE OF THE CITY CLERK

DISTRICT: **ALL**

SUBJECT: **APPROVE NOMINATIONS FOR APPOINTMENTS TO THE ADVISORY REDISTRICTING COMMISSION**

ISSUE

Approve nominations for appointments to the Advisory Redistricting Commission ("ARC").

RECOMMENDATION

Staff recommends that the City Council approve nominations for appointments to the Advisory Redistricting Commission as follows:

1. Appoint the following individuals to serve as Committee Member Alternates on the Redistricting Commission alternates:

Rochelle Butler	Patrick R. Coulson
Shameka Andre	Nashon Mitchell
Engel Thedford	Antonio Ortega
Avrum Harris	Lorraine Hanna Sadler
Dolores Morris	Bennie Thornton
Rich Poston	

2. Appoint the remaining applicants to serve as Committee Member on the Redistricting Commission alternates:

1. Brian Uribe
2. Vivian Davenport

BACKGROUND

The California Voting Rights Act ("CVRA") was enacted to implement the California constitutional guarantees of equal protection and the right to vote. The purpose of the CVRA is to prevent an at-large election system from diluting minority voting power and impairing underrepresented groups from influencing the outcome of a race. After each decennial U.S. census, local public agencies with officers elected by or from

geographical districts, divisions or wards must "redistrict." This requires review of the Census population data and, if necessary, adjustment of voting area boundaries to keep them as nearly equal in population as possible, allowing for certain variances due to geography, topography, communities of interest, all as required in federal and California law.

DISCUSSION

On April 6, 2021, City Council adopted Resolution No. CC 2021-031, forming the ARC. A Notice of Vacancy was advertised in the AV Press as required and advertised for interested citizens to apply. The Communications division also provided a press release to the public, including the application submittal deadline. The Classified Ad and the application were made available on the City's website as well as in the Office of the City Clerk. Staff received thirteen applications by the May 27, 2021 6:00 p.m. application submittal deadline.

After review of the applications, eleven (11) Committee members and two (2) alternate members were nominated to the Committee and shall exist until the City Council adopts an ordinance establishing City Council district boundaries for the November 2022 election.

FISCAL IMPACT

There is no fiscal impact associated with this item, as member positions do not receive compensation for service.

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.

Prepared by:	Shanae Smith, City Clerk
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

None

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **OFFICE OF THE CITY MANAGER**
OFFICE OF THE CITY CLERK

DISTRICT: **ALL**

SUBJECT: **APPROVE REAPPOINTMENTS OF DISTRICT 3 AND AT LARGE PLANNING COMMISSIONERS TO THE PLANNING COMMISSION**

ISSUE

Approve nominations for appointments to the Planning Commission.

RECOMMENDATION

Staff recommends pursuant to Palmdale Municipal Code Section 2.46.030 that the City Council ratify nominations for appointment to the Planning Commission as follows:

1. Reappoint Bart Avery to serve as Commissioner (At Large) on the Planning Commission for a term to expire on June 30, 2023.
2. Reappoint Stacia Nemeth to serve as the Commissioner (District 3) on the Planning Commission for a term to expire on June 30, 2023.

BACKGROUND

Pursuant to Palmdale Municipal Code Section 2.46.030, "The Planning Commission shall consist of five commissioners, four of whom shall be appointed from Planning Commission districts and one who shall be appointed at large. All Commissioners shall be voting members of the Planning Commission. No Commissioner shall be a member of the City Council. The four district Commissioners must be residents of the districts from which they are appointed. If a district Commissioner ceases to be a resident of the district from which he or she is appointed, that Commissioner's appointment will automatically terminate. The at-large Commissioner must be a resident of the City. If the at-large Commissioner ceases to be a resident of the City, that Commissioner's appointment will automatically terminate. Commissioners serve at the pleasure of the City Council and may be removed prior to the expiration of their term by a vote of a majority of the members of the City Council."

DISCUSSION

Palmdale Municipal Code Section 2.46.030(C)(4) states, "If the nomination by the City Councilmember is not approved by a majority vote of the City Council, the City Councilmember will nominate a different candidate until someone is approved by majority vote of the City Council."

The terms of current At Large Planning Commissioner Bart Avery, and current District 3 Planning Commissioner Stacia Nemeth are set to expire on June 30, 2022. Councilmember Bettencourt has opted to reappoint Stacia Nemeth as District 3 Planning Commissioner and Mayor Hofbauer has chosen to reappoint Bart Avery as At Large Planning Commissioner for a new term to expire on June 30, 2022.

FISCAL IMPACT

Commissioners receive $100 per meeting, a maximum of $200 per 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.

Prepared by:	Shanae Smith, City Clerk
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

None

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **ADMINISTRATIVE SERVICES DEPARTMENT**
COMMUNITY PROGRAMS DIVISION

DISTRICT: **ALL**

SUBJECT: **PUBLIC HEARING TO HEAR PUBLIC COMMENTS ON THE DRAFT 2021-2022 ACTION PLAN PROGRAMMING $2,224,115 IN CONSOLIDATED PLAN FUNDS; REVIEW, APPROVE, AND SUBMIT THE 2021-2022 ACTION PLAN; AND EXECUTE DOCUMENTS RELATED TO THE SUBMISSION OF THE ACTION PLAN AND SUB-RECIPIENT AGREEMENTS.**

ISSUE

Public Hearing to hear public comments on the Draft 2021-2022 Action Plan; Review and approve the 2021-2022 Action Plan; and Authorize the City Manager or his designee to make necessary changes and submit the 2021-2022 Action Plan, execute documents related to the submission of the Action Plan and sub-recipient agreements.

RECOMMENDATION

Staff recommends that the City Council:

1. Open a public hearing to hear public comments on the Draft 2021-2022 Action Plan;
2. Review and approve the 2021-2022 Action Plan; and
3. Authorize the City Manager or his designee to make necessary changes and submit the 2021-2022 Action Plan, execute documents related to the submission of the Action Plan and sub-recipient agreements.

BACKGROUND

As an entitlement and participating jurisdiction, the City of Palmdale receives an annual allocation of funds from the U.S. Department of Housing and Urban Development (HUD) under its Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) Programs. To receive its annual CDBG and HOME allocation, the City is required to submit a Consolidated Plan every five years and an Annual Action Plan each year to HUD for approval. The Action Plan discusses the actions to be taken during the grant year toward meeting the goals and objectives of the City's Consolidated Plan and outlines the expenditures for the annual grant allocation of CDBG and HOME funds.

To note, the City received a special allocation of CDBG-CV funds to address the COVID-19 Pandemic in the amount of $1,932,895. These funds were approved and programmed at the City Council meeting on February 2, 2021.

DISCUSSION

The 2021-2022 Action Plan identifies the programs, projects, and services to be provided during the fiscal year to meet the goals and objectives of the Consolidated Plan. For the 2021-2022 program year beginning July 1, 2021 and ending June 30, 2022 the City anticipates receiving $1,541,561 of CDBG funds and $577,747 of HOME funds for the 2021-2022 program year. Together with prior year resources available, $2,224,115 is available for projects in this Action Plan.

The CDBG revenue available for programming is summarized below:

2021-2022 Allocation	$1,541,561
Prior year CDBG Resources Available	$104,807
Total CDBG Resources Available for programming	**$1,646,368**

The proposed CDBG eligible activities are:

Applicant	Project Description	Funding Request
SAVES (South Antelope Valley Emergency Services)	Administrative and Operating Expenses for services including assistance for Homeless, Seniors, At-Risk, & Emancipated Foster Youth. Services include Groceries, Motel Vouchers, Clothing, & Utility Assistance. This is an eligible activity under 570.201(e) and meets the national objective under 570.208(a)(2)(a) low/mod limited clientele.	$231,234
Public Services	**Subtotal**	**$231,234**
City of Palmdale Public Works Department / Applicant to be determined	Project provides for activities including: a) Funding enhancement to Street Improvement Project on Q-12 between 10th Street East and 12th Street East; b) ADA compliance, including facility Improvements and door access at public facilities and community centers, including: bringing Chimbole Cultural Center into compliance with current ADA regulations; C) Improve City of Palmdale infrastructure in low- and moderate income residential areas to benefit low- and moderate income people or those presumed under HUD regulations to be low- and moderate-income such as elderly people and disabled adults as well as residents of low- and moderate-income housing in support of affordable housing. The project is eligible under Section 570.201(c), and meets the national objective under 570.208(a).	$628,090

Applicant	Project Description	Funding Request
Capital Improvements	**Subtotal**	**$628,090**
City of Palmdale Community and Economic Development/ Applicant to be determined	Project provides for eligible CDBG activity for Economic Opportunity Program for low- and moderate- income persons and business owners. This project meets the Consolidated Plan goal of expanding economic opportunity for low-income residents and small business owners	$100,000
City of Palmdale/ Applicant to be determined	Section 108 Debt Service. Annual debt service and trustee fees for Section 108 Loan Guarantee. This is an eligible activity under 570.705(c).	$378,730
City of Palmdale/ Applicant to be determined	Program Administration. Implementation of the CDBG Program (≤ 20% of total program award) This is an eligible activity under 570.206.	$271,532
Housing Rights Center	Fair Housing Services. This is an eligible activity under 570.206(c).	$36,782
Administrative/ Other	**Subtotal**	**$787,044**
	2021-2022 CDBGTOTAL	**$1,646,368**

The HOME revenue available for programming is summarized below:

2021-2022 Allocation	$ 577,747

The proposed HOME eligible activities are:

Applicant	Project Description	Funding Request
Applicant to be determined	Community Housing Development Organization (CHDO). Funds set aside for Applicant to be determined (≤15% of program award). This is an eligible activity under 92.300.	$68,660
City of Palmdale/ Subrecipient	Implementation of the HOME Tenant Based Rental Assistance Program This is an eligible activity under 92.209.	$150,000
City of Palmdale/ Applicant to be determined	In partnership with a developer the City will fund the construction of new affordable rental units - Multi-Family New Construction Program. This is an eligible activity under 92.205(a)(1).	$301,313
City of Palmdale/ Applicant to be determined	Program Administration. Implementation of the HOME Program (≤ 10% of total program award). This is an eligible activity under 92.207.	$57,774
	2021-2022 HOME TOTAL	**$577,747**

The City complied with its Citizens Participation Plan and CDBG regulations. In preparation of the 2021-2022 Action Plan the City held a public hearing on December 15, 2020 to obtain input for community needs. The Draft Action Plan underwent a 30-day public comment period between April 2, 2021 and May 4, 2021. The notice of tonight's public hearing was posted on May 10, 2021 and on May 27, 2021. Notices were published in the Antelope Valley Press and the City's website informing residents of the locations where the draft report was available for review and inviting oral or written comments either prior to or at the public hearing on June 1, 2021.

Staff requests that the City Council Open a public hearing to hear public comments on the Draft 2021-2022 Action Plan; Review and approve the 2021-2022 Action Plan; and Authorize the City Manager or his designee to make necessary changes and submit the 2021-2022 Action Plan, execute documents related to the submission of the Action Plan, and sub-recipient agreements.

FISCAL IMPACT

For Fiscal Year 2021-2022 the City will receive an allocation of $1,541,561 in Community Development Block Grant (CDBG) funds, and $577,747 in HOME Investment Partnerships (HOME) funds. Together with $104,807 of prior year CDBG resources, a total of $2,224,115 is available for the 2021-2022 Action Plan.

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.

Prepared by:	Sarah Mailes, Housing Coordinator
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

Draft 2021-2022 Action Plan

Annual Action Plan
FY 2021-22

Draft
Public Review
June 1, 2021

CITY OF PALMDALE
a place to call home

LDM Associates • Inc.

This page intentionally left blank

Table of Contents

Executive Summary ..... - 1 -

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b) ..... - 1 -

PR-05 Lead & Responsible Agencies – 91.200(b) ..... - 4 -

AP-10 Consultation – 91.100, 91.200(b), 91.215(l) ..... - 5 -

AP-12 Participation – 91.105, 91.200(c) ..... - 22 -

Expected Resources ..... - 23 -

AP-15 Expected Resources – 91.220(c)(1,2) ..... - 23 -

Annual Goals and Objectives ..... - 28 -

AP-20 Annual Goals and Objectives ..... - 28 -

AP-35 Projects – 91.220(d) ..... - 31 -

AP-38 Project Summary ..... - 33 -

AP-50 Geographic Distribution – 91.220(f) ..... - 33 -

Affordable Housing ..... - 43 -

AP-55 Affordable Housing – 91.220(g) ..... - 43 -

AP-60 Public Housing – 91.220(h) ..... - 45 -

AP-65 Homeless and Other Special Needs Activities – 91.220(i) ..... - 45 -

AP-75 Barriers to affordable housing – 91.220(j) ..... - 49 -

AP-85 Other Actions – 91.220(k) ..... - 50 -

Program Specific Requirements ..... - 53 -

AP-90 Program Specific Requirements – 91.220(l)(1,2,4) ..... - 53 -

Action Plan Tables

Table 1 - Responsible Agencies ..... - 4 -

Table 2 - Agencies, groups, organizations who participated ..... - 20 -

Table 3 - Other local / regional / federal planning efforts ..... - 21 -

Table 4 – Citizen Participation Outreach ..... - 22 -

Table 5 - Expected Resources – Priority Table ..... - 24 -

Table 6 – Goals Summary ..... - 30 -

Table 7 - Project Information ..... - 31 -

Table 8 - Geographic Distribution ..... - 42 -

Table 9 - One Year Goals for Affordable Housing by Support Requirement ..... - 44 -

Table 10 - One Year Goals for Affordable Housing by Support Type ..... - 44 -

Version History

No.	Summary of Changes			
1	Published Draft for Public Comment:	4/2/21; 5/27/21	Sent to HUD for Approval:	TBD
	Conducted Public Hearing:	6/1/21	Approved by HUD:	TBD
	Original 2021-2022 Annual Action Plan.			

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of Palmdale has prepared the 2021-22 Action Plan as required to receive federal Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funds. The Action Plan provides the United States Department of Housing and Urban Development (HUD) with a summary of the proposed activities to be carried out with CDBG and HOME resources.

The CDBG and HOME programs generally provide for a wide range of eligible activities for the benefit of low- and moderate-income Palmdale residents.

Community Development Block Grant (CDBG)

The Housing and Community Development Act of 1974 created the CDBG Program with three primary objectives against which HUD evaluates the Consolidated Plan and the City's performance under the Plan. Those primary objectives are decent housing, suitable living environments, and expanded economic opportunities for low- and moderate-income persons. The CDBG regulations require that each activity meet one of the following national objectives:

- Benefit low- and moderate-income persons;
- Aid in the prevention or elimination of slums and blight; or
- Meet other community development needs having a particular urgency (usually the result of a natural disaster).

HOME Investment Partnerships (HOME)

The Cranston-Gonzalez National Affordable Housing Act of 1990 created the HOME program to expand the supply of affordable housing for low- and moderate-income households. Often used in partnership with local nonprofit housing development organizations, the HOME program can support a wide range of affordable housing activities, including building, buying, and/or rehabilitating rental and ownership housing or providing direct rental assistance to low- and moderate-income people.

For the 2021 program year, the City will receive $1,541,561of CDBG funds and $577,747 of HOME funds from HUD. Together with prior year resources available, an estimated $2,224,115 is available for the CDBG and HOME activities listed below.

2021 CDBG Activities

Fair Housing Services	$36,782
South Antelope Valley Emergency Services (SAVES)	$231,234
Section 108 Debt Service	$378,730
Economic Opportunity Programs	$100,000
ADA Public Facilities & Street Improvements	$628,090
CDBG Program Administration	$271,532
Total	**$1,646,368**

2021 HOME Activities

Tenant-Based Rental Assistance	$150,000
Affordable Housing Development (including CHDO set-aside)	$369,973
HOME Program Administration	$57,774
Total	**$577,747**

2. Summarize the objectives and outcomes identified in the Plan

The 2021 Annual Action Plan addresses the priority needs and goals established in the FY2020-24 Consolidated Plan. The eight priority needs listed below are established as part of this Plan:

- Increase the supply of affordable housing
- Provide rental assistance to low-income households
- Ensure equal access to housing opportunities
- Prevent and eliminate homelessness
- Provide public services for residents, including those with special needs
- Improve public facilities and infrastructure
- Preserve the supply of affordable housing
- Expand economic opportunity for low-income residents

3. Evaluation of past performance

The investment of HUD resources during the 2020 Program Year resulted in measurable accomplishments that contributed to positive outcomes for Palmdale residents. Together with other federal, state and local investments, HUD resources allowed the City of Palmdale and its partners to provide:

- Fair housing services to Palmdale residents
- Homelessness prevention and assistance
- Tenant-based rental assistance to extremely-low income seniors
- Public Facility Improvements
- Support affordable housing developments

4. Summary of Citizen Participation Process and consultation process

To be completed after the public hearing scheduled for June 1, 2021.

5. Summary of public comments

To be completed after the public hearing scheduled for June 1, 2021.

6. Summary of comments or views not accepted and the reasons for not accepting them

To be completed after the public hearing scheduled for June 1, 2021.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG and HOME Administrator	City of Palmdale	Administrative Services

Table 1 - Responsible Agencies

Narrative

The City of Palmdale Department of Administrative Services is the lead agency responsible for the administration of the CDBG and HOME programs. The Department of Administrative Services contracted with LDM Associates, Inc. to prepare the 2021 Annual Plan.

In the development of this Consolidated Plan, the City developed and implemented a comprehensive citizen participation and consultation process and conducted a needs assessment and market analysis to identify levels of relative need regarding affordable housing, homelessness, special needs, and community development. This information was gathered through consultation with public officials and local agencies, public outreach and community meetings, review of demographic and economic data, and housing market analysis.

In the implementation of the 2021 Annual Plan and each of the five Annual Action Plans, the Department of Administrative Services shall be responsible for all grants planning, management and monitoring duties necessary to comply with HUD regulations and City policy.

Consolidated Plan Public Contact Information

Department of Administrative Services
Attn: Sarah Mailes, Housing Coordinator
823 East Avenue Q-9, Suite A
Palmdale, CA 93550
(661) 267-5368

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

The City of Palmdale consulted with representatives from multiple agencies, groups, and organizations involved in the development of affordable housing, creation of job opportunities for low- and moderate-income residents, and/or provision of services to children, elderly persons, persons with disabilities, persons with HIV/AIDS and their families, and homeless persons. To facilitate this consultation, the City solicited feedback through the following methods:

- Stakeholder surveys
- Individual stakeholder consultations
- Community meetings
- Public hearings
- Receipt of written comments

To gather the greatest breadth and depth of information, the City consulted with a wide variety of agencies, groups and organizations concerning the housing, community and economic development needs of the community as part of the Consolidated Plan process. Each of the agencies, groups or organizations consulted is represented below. The input received from these consultation partners helped establish and inform the objectives and goals described in the Strategic Plan.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

The City recognizes the importance of careful coordination and alignment among various service providers to maximize the effectiveness of the CDBG and HOME programs. As a result, during the development of this Consolidated Plan, the City consulted closely with organizations that provide assisted housing, health services and other community-focused programs. Outreach efforts included surveys including specific questions associated with coordination, invitations to community meetings and follow-up in-person interviews where appropriate.

The City further recognizes the importance of continued coordination and alignment during the upcoming five-year planning period with these organizations and agencies. The City will strengthen relationships and alignment among these organizations in the implementation of the NOFA process for CDBG and HOME funds and through technical assistance provided to subrecipients of CDBG and HOME funds each year.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

Los Angeles County's homeless system of care is comprised of a network of public, private, faith-based, for-profit, and non-profit service providers who utilize several federal, state and local resources to provide services for homeless people. The region's municipalities, including the City of Palmdale, also provide resources for services that assist the homeless and those at risk of becoming homeless. The County's non-profit community plays a key role in the current Continuum of Care (CoC) system. Hundreds of agencies throughout the County provide programs ranging from feeding the homeless on the street to creating permanent supportive housing opportunities. These services are available to homeless families with children, and single men and women.

The Los Angeles Homeless Services Authority (LAHSA) is the lead agency for the CoC in Los Angeles County. LAHSA guides the development of homeless strategies and the implementation of programs to end homelessness throughout the region. The City provided a detailed questionnaire to LAHSA to identify the CoC's perceived needs in the county and its objectives to address the needs of different homeless persons populations, specifically chronically homeless families and individuals, families with children, veterans, unaccompanied youth and persons at risk of homelessness. Following the delivery and response to this questionnaire, the City followed up with the CoC to clarify existing needs and objectives and understand opportunities for collaboration and coordination during the 5-year planning process.

Coordination to address homelessness — including chronically homeless individuals and families, families with children, veterans, and unaccompanied youth — is guided by the CoC. All service providers within the CoC can refer people with varying needs to the appropriate service provider(s) in their area.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

The City of Palmdale does not receive Emergency Solutions Grant (ESG) funds, but will continue to support the efforts of LAHSA and the County of Los Angeles in their development of performance standards for the County's ESG program that provide a measure to evaluate each subrecipients' effectiveness, such as how well the service provider succeeds at 1) targeting those who need the assistance most; 2) reducing the number of people living on the streets or emergency shelters; 3) shortening the time people spend homeless; and 4) reducing each program participant's housing barriers or housing stability risks.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

1	Agency/Group/Organization	Los Angeles County Child Protective Services
	Agency/Group/Organization Type	Child Welfare Agency Services-Children Other government - Local
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
2	Agency/Group/Organization	Los Angeles County Health Department
	Agency/Group/Organization Type	Services-Health Health Agency Mental Health Agency/Facility
	What section of the Plan was addressed by Consultation?	Needs Assessment Market Analysis Lead-Based Paint Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
3	Agency/Group/Organization	AMCAL Multi-Housing, Inc.
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Needs Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
4	Agency/Group/Organization	Meta Housing Corporation
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Needs Assessment Market Analysis

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
5	Agency/Group/Organization	National Community Renaissance Dev Corp
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Needs Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
6	Agency/Group/Organization	The Michaels Organization
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Needs Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
7	Agency/Group/Organization	America's Job Center
	Agency/Group/Organization Type	Services-Employment
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.

8	Agency/Group/Organization	Advancing Communities Together Inc.
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Needs Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
9	Agency/Group/Organization	AHF Healthcare Center – Antelope Valley
	Agency/Group/Organization Type	Services – HIV/AIDS
	What section of the Plan was addressed by Consultation?	Needs Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
10	Agency/Group/Organization	Federal Emergency Management Agency (FEMA)
	Agency/Group/Organization Type	Emergency Management Agency Floodplain Management Agency
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
11	Agency/Group/Organization	City of Palmdale Information Technology
	Agency/Group/Organization Type	Local Government
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.

12	Agency/Group/Organization	Los Angeles County Development Authority
	Agency/Group/Organization Type	Housing Services - Housing PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	In-Person Meeting Conference Calls This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
13	Agency/Group/Organization	Housing Authority of the City of Palmdale
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	In-Person Meeting Conference Calls This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
14	Agency/Group/Organization	Hispanic Chamber
	Agency/Group/Organization Type	Business Leader
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
15	Agency/Group/Organization	California Department of Technology
	Agency/Group/Organization Type	Broadband Advocates
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
16	Agency/Group/Organization	HighSpeedInternet.com
	Agency/Group/Organization Type	Broadband ISP

	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
17	Agency/Group/Organization	Children's Bureau
	Agency/Group/Organization Type	Services-Children Foster Care Agency/Facility
	What section of the Plan was addressed by Consultation?	Public Services
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
18	Agency/Group/Organization	Kaiser Permanente
	Agency/Group/Organization Type	Health Agency Services-Health
	What section of the Plan was addressed by Consultation?	Market Analysis Lead-Based Paint Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
19	Agency/Group/Organization	Antelope Valley Domestic Violence Council dba Valley Oasis
	Agency/Group/Organization Type	Services-Victims of Domestic Violence Services-Homelessness
	What section of the Plan was addressed by Consultation?	Anti-Poverty Strategy Non-Homeless Special Needs Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey In-Person Meeting This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
20	Agency/Group/Organization	Pennylane
	Agency/Group/Organization Type	Services-Unaccompanied Youth
	What section of the Plan was addressed by Consultation?	Needs Assessment Market Analysis

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
21	Agency/Group/Organization	Vets4Veterans
	Agency/Group/Organization Type	Services-Homeless Veterans
	What section of the Plan was addressed by Consultation?	Needs Assessment Homelessness Needs - Veterans Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
22	Agency/Group/Organization	Desert Haven Enterprises
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Needs Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
23	Agency/Group/Organization	Palmdale Chamber
	Agency/Group/Organization Type	Business Leader
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.

24	Agency/Group/Organization	Palmdale School District
	Agency/Group/Organization Type	Services-Children Services-Education Other government - Local
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
25	Agency/Group/Organization	Antelope Valley Union High School District
	Agency/Group/Organization Type	Services-Children Services-Education Other government - Local
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
26	Agency/Group/Organization	L.A. County Board of Supervisors District 5
	Agency/Group/Organization Type	Other Government-County
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
27	Agency/Group/Organization	Legacy Commons (City of Palmdale)
	Agency/Group/Organization Type	Services-Elderly
	What section of the Plan was addressed by Consultation?	Non-housing Community Development Strategy Non-Homeless Special Needs Public Services
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey In-Person Meeting This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.

28	Agency/Group/Organization	City of Palmdale Economic Development
	Agency/Group/Organization Type	Services-Employment
	What section of the Plan was addressed by Consultation?	Market Analysis Economic Development
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Conference Calls In-Person Meetings This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
29	Agency/Group/Organization	Mental Health America, Antelope Valley
	Agency/Group/Organization Type	Mental Health Agency/Facility Services-Homeless Veterans
	What section of the Plan was addressed by Consultation?	Needs Assessment Market Analysis Homelessness Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey In-Person Meeting This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
30	Agency/Group/Organization	Housing Rights Center
	Agency/Group/Organization Type	Services-Fair Housing
	What section of the Plan was addressed by Consultation?	Needs Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey In-Person Meetings This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
31	Agency/Group/Organization	Antelope Valley Community Clinic
	Agency/Group/Organization Type	Services-Health
	What section of the Plan was addressed by Consultation?	Needs Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.

32	Agency/Group/Organization	Palmdale Regional Medical Center
	Agency/Group/Organization Type	Health Agency
	What section of the Plan was addressed by Consultation?	Market Analysis Lead-Based Paint Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
33	Agency/Group/Organization	South Antelope Valley Emergency Services (SAVES)
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey In-Person Meetings This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
34	Agency/Group/Organization	Los Angeles County Regional Broadband Consortium
	Agency/Group/Organization Type	Broadband Advocates
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.

35	Agency/Group/Organization	Los Angeles Homeless Services Authority (LAHSA)
	Agency/Group/Organization Type	Continuum of Care - Information and Referral
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Conference Calls This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
36	Agency/Group/Organization	North LA County Regional Center
	Agency/Group/Organization Type	Services-Disabilities
	What section of the Plan was addressed by Consultation?	Needs Assessment Market Analysis Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
37	Agency/Group/Organization	Victory Outreach
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey In-Person Meeting This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.

38	Agency/Group/Organization	Homeless Solutions Access Center
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey In-Person Meeting This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
39	Agency/Group/Organization	Neighborhood Legal Services of Los Angeles County
	Agency/Group/Organization Type	Services-Fair Housing
	What section of the Plan was addressed by Consultation?	Needs Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey In-Person Meetings This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
40	Agency/Group/Organization	Salvation Army-Palmdale
	Agency/Group/Organization Type	Services-Homeless
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Chronically homeless Homelessness Needs - Veterans
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.

41	Agency/Group/Organization	Westside Union School District
	Agency/Group/Organization Type	Services-Children Services-Education Other government - Local
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
42	Agency/Group/Organization	City of Palmdale (Development Services)
	Agency/Group/Organization Type	Planning Organization Local Government
	What section of the Plan was addressed by Consultation?	Needs Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey In-Person Meeting This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
43	Agency/Group/Organization	City of Palmdale (Neighborhood Services)
	Agency/Group/Organization Type	Local Government
	What section of the Plan was addressed by Consultation?	Needs Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey In-Person Meeting This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
44	Agency/Group/Organization	City of Palmdale (Public Works)
	Agency/Group/Organization Type	Local Government
	What section of the Plan was addressed by Consultation?	Needs Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey In-Person Meeting This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.

45	Agency/Group/Organization	City of Palmdale (Recreation and Culture)
	Agency/Group/Organization Type	Local Government
	What section of the Plan was addressed by Consultation?	Needs Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey In-Person Meeting This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
46	Agency/Group/Organization	The Trust for Public Land
	Agency/Group/Organization Type	Public Land Agency
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
47	Agency/Group/Organization	Southern California Association of Governments
	Agency/Group/Organization Type	Planning Organization
	What section of the Plan was addressed by Consultation?	Housing Needs Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
48	Agency/Group/Organization	State Assembly 36th District
	Agency/Group/Organization Type	State Government
	What section of the Plan was addressed by Consultation?	Needs Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.

49	Agency/Group/Organization	State Senate 21st Senate District
	Agency/Group/Organization Type	State Government
	What section of the Plan was addressed by Consultation?	Needs Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Survey This consultation provided the stakeholder an opportunity to actively participate in the planning effort. The City requested input concerning the topics highlighted above from this stakeholder.
50	Agency/Group/Organization	U.S. Department of Housing and Urban Development
	Agency/Group/Organization Type	Federal Government
	What section of the Plan was addressed by Consultation?	All
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted with HUD concerning Consolidated Plan, CDBG, and HOME requirements.
51	Agency/Group/Organization	City of Palmdale City Council
	Agency/Group/Organization Type	Local Government Civic Leaders
	What section of the Plan was addressed by Consultation?	All
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	In-Person Meeting Public Hearings for the Consolidated Plan

Table 2 - Agencies, groups, organizations who participated

Identify any Agency Types not consulted and provide rationale for not consulting

The City maintains a list of agencies, organizations and other stakeholders that have expressed an interest in City's CDBG and HOME programs and invited representatives from each entity to participate at multiple points in the planning process. All agencies were strongly encouraged to attend meetings and participate in surveys. Any agency or organization that was not consulted and would like to be included in the City's list of stakeholders, the agency or organization may contact the Department of Administrative Services at (661) 267-5368.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Los Angeles Homeless Services Authority (LAHSA)	The Public Services including Homelessness goal of the Strategic Plan is consistent with the County of Los Angeles strategies to address homelessness.
2013-2021 Housing Element	City of Palmdale Economic and Community Development Department - Planning Division	The housing goals included in the Strategic Plan are consistent with the City of Palmdale Housing Element.

Table 3 - Other local / regional / federal planning efforts

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(l))

In the development of the Consolidated Plan, the City afforded the following other public entities with the opportunity to provide input on the Consolidated Plan and welcomes their input concerning the future implementation of projects to address the ten Strategic Plan goals:

- City of Lancaster
- City of Santa Clarita
- Los Angeles County Development Authority
- State of California Department of Housing and Community Development

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

In accordance with the City of Palmdale's Citizen Participation Plan, the City invites residents to actively contribute to the development of the Annual Action Plan. The City conducted a public hearing on December 15, 2020 during the development of the Action Plan to gather comment and feedback on potential activities. The City also published the Action Plan for public review for a 30-day comment period and will facilitate a second comment period on June 1, 2021 to approve the Action Plan.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	Non-targeted/ broad community	A public meeting/hearing was held before the City Council on December 15, 2020 to receive public comments on the housing, community and economic development needs of the City in anticipation of the 2021 Annual Action Plan.	None	n/a	n/a
2	30-day comment period	Non-targeted/broad community	The City of Palmdale published a notice of comment period in the Antelope Valley Press and at offices at City Hall on April 4, 2021 – May 4, 2021 and a notice of public hearing on May 10, 2021 inviting the public to review and provide comment on the draft Action Plan and/ or attend a public hearing on June 1, 2021.	TBD	TBD	n/a
3	Public Hearing	Non-targeted/broad community	A public meeting/hearing will be held before the City Council on June 1, 2021 to receive public comments on the 2021 Annual Action Plan and for City Council approval of the 2021 Action Plan.	TBD	TBD	n/a

Table 4 – Citizen Participation Outreach

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

The Strategic Plan goals included in this Consolidated Plan are based on resources that are reasonably anticipated to be available to the City from federal, state, local and private sources from July 1, 2021 through June 30, 2022. The actual resources available to support activities during the implementation of this Consolidated Plan may vary significantly due to factors outside of the City's control. For example, HUD formula grant allocations are subject to change each year based on a number of factors such as the amount of the national appropriation, changes in ACS population data applied to the CPD grant formulas, statutory changes to the CPD grant formulas, the addition or removal of entitlements receiving a particular CPD grant and the availability of reallocated funds. Additionally, state, local and private resources will vary significantly depending on economic conditions.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	1,541,561	$0	$104,807	$1,646,368	$6,076,696	Based on level funding in subsequent years.
HOME	Public - federal	Admin and Planning Housing Public Services	577,747	$0	$0	$577,747	$2,310,988	Based on level funding in subsequent years.

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

To address housing and community development needs in Palmdale, the City will leverage its CDBG and HOME entitlement grants with a variety of funding resources in order to maximize the effectiveness of available funds. The City and its development partners will continue to seek new opportunities to leverage federal funds, such as the Low Income Housing Tax Credit program and other State of California resources made available as a result of recent State laws that took effect in 2019 and 2020.

Federal Resources

- Continuum of Care (CoC) Program
- HUD Veterans Affairs supportive Housing (HUD-VASH)
- Supportive Housing for the Elderly (Section 202)
- Supportive Housing for Persons with Disabilities (Section 811)
- Housing Opportunities for Persons with AIDS (HOPWA)
- Youthbuild
- Federal Low-Income Housing Tax Credit Program
- Emergency Food and Shelter Program (EFSP)

State Resources

- State Low-Income Housing Tax Credit Program
- Building Equity and Growth in Neighborhoods Program (BEGIN)
- CalHome Program
- Multifamily Housing Program (MHP)
- Housing Related Parks Grant
- CalHFA Single and Multi-Family Program
- Mental Health Service Act (MHSA) Funding

Local Resources

- Los Angeles County CoC
- Los Angeles County Development Authority (LACDA)
- Southern California Home Financing Authority (SCHFA)

Private Resources

- Federal Home Loan Bank Affordable Housing Program (AHP)
- Community Reinvestment Act Programs
- United Way Funding
- Private Contributions

HOME Matching Requirements

HUD requires HOME recipients (PJs) to match 25 percent of their HOME annual allocation. In accordance with 24 CFR 92.222, PJs satisfying the distress criteria established by the HOME Program regulations are provided a match reduction. The match reductions are granted due to fiscal distress, severe fiscal distress, and Presidential disaster declarations. For those PJs with both fiscal distress and Presidential disaster match reductions, the PJ may take the higher match reduction for the current fiscal year.

When a local jurisdiction meets one of the distress criteria, it is determined to be in fiscal distress and receives a 50 percent reduction of match. If a local jurisdiction satisfies both of the distress criteria, it is determined to be in severe fiscal distress and receives a 100 percent reduction of match. The City of Palmdale has received a 100 percent match reduction from HUD, and therefore, is required to match 0 percent of HOME Funds using non-federal funds.

The City of Palmdale leverages HOME funds with other local and private non-federal resources even though it has received a 100 percent match reduction from the 25 percent matching requirement. Any funds that are used in a HOME activity in excess of the required match will be documented by the City and reported to HUD as part of the Consolidated Annual Performance and Evaluation Report (CAPER) each year.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

In 2011, the elimination of local Redevelopment Agencies by the State of California resulted in the loss of a crucial resource for the development and preservation of affordable housing. This negatively impacted affordable housing and residential investment. While there are mechanisms whereby certain affordable housing assets tied to the former Redevelopment Agencies may be utilized today, the available resources for affordable housing are scarce.

Land or property necessary to address the needs identified in the Consolidated Plan would need to be acquired using HUD grant funds or other resources.

Discussion

Assuming continued level funding of the CDBG and HOME programs, the City expects to spend several million dollars of CDBG and HOME funds on projects that provide affordable housing to low-income residents between July 1, 2020 and June 30, 2025. It is anticipated that approximately $2.0 million of this will be spent on affordable housing development and preservation. Based on prior project experience, we anticipate that these funds will leverage other public and private funding, including but not limited to:

- Low-Income Housing Tax Credits
- Project-based Section 8 certificates
- Project financing at favorable interest rates from local lenders
- Private contributions to local CHDOs
- Private market real estate investments

- Market rate housing that subsidizes affordable units on the same development site

Assuming continued level funding of the CDBG program, the City expects to spend approximately $3.3 million of CDBG funds on public facilities and infrastructure improvement activities that promote a suitable living environment between July 2020 and June 2025. Anticipated projects include:

- Public Facilities Improvements (including ADA)
- Infrastructure Improvements (affordable housing)
- Section 108 Debt Service for prior Public Facilities

AP-20 Annual Goals and Objectives

Goals Summary Information

2020-2024 Strategic Plan Goals

Goal Name	Time Period	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
Goal 1 Affordable Housing	2020 - 2024	Affordable Housing	Citywide	• Provide rental assistance to low-income households • Increase the supply of affordable housing • Preserve the supply of affordable housing	HOME: $519,973	40 Households Assisted with Rental Assistance MF New Construction Activities: TBD
Description: Provide short- and medium-term rental assistance to individuals and families experiencing economic distress and at-risk of homelessness. In partnership with housing developers, leverage HOME and CDBG funds in support of the development or creation of rental housing opportunities that are affordable to households earning less than 30, 50, or 60 percent of Area Median Income, including units for individuals, families, persons with special needs, and persons experiencing homelessness or at-risk of homelessness. Subject to funding availability, design and implement programs for the preservation of the physical and functional integrity of existing housing units occupied by low- and moderate-income households. Include, where appropriate, incentives for energy efficiency and conservation measures to increase sustainability and reduce monthly household utility costs to promote greater affordability.						
Goal 2 Fair Housing Services	2020 - 2024	Affordable Housing	Citywide	• Ensure equal access to housing opportunities	CDBG: $36,782	300 Persons Assisted
Description: Fulfill the HUD regulatory mandate to affirmatively further fair housing choice through the provision of fair housing education, counseling, anti-discrimination and landlord-tenant mediation services.						

2020-2024 Strategic Plan Goals

Goal Name	Time Period	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
Goal 3 Public Services including Homelessness	2020 - 2024	Homelessness Non-Housing Community Dev.	Citywide	• Prevent and eliminate homelessness • Provide public services for residents, including those with special needs	CDBG: $231,234	4,000 Persons Assisted
Description: Provide public services designed to support a continuum of services in the Antelope Valley to prevent and eliminate homelessness including but not limited to emergency services, food and necessities of life, homelessness prevention programs, case management, and temporary housing assistance. Provide public services for youth and seniors including but not limited to those concerned with nutrition, education, health, transportation, and recreation, including programs that incorporate the creation of public art as a focus of the activity to foster a more suitable living environment. Provide public services to persons with special needs including but not limited to those concerned with disabilities, domestic violence, substance abuse and HIV/AIDS.						
Goal 4 Public Facilities and Improvements	2020 - 2024	Non-Housing Community Dev.	Citywide	• Improve public facilities and infrastructure	CDBG: $628,090	15,000 Persons Assisted
Description: Improve public facilities and infrastructure to benefit low- and moderate-income people or those presumed under HUD regulations to be low- and moderate-income such as elderly people and disabled adults as well as residents of low- and moderate-income housing. This strategy includes the installation of infrastructure in support of affordable housing. Public improvements undertaken with CDBG funds may incorporate public art into projects that otherwise meet a National Objective of the CDBG program.						

2020-2024 Strategic Plan Goals

Goal Name	Time Period	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
Goal 5 Economic Opportunity	2020 - 2024	Non-Housing Community Dev.	Citywide	• Expand economic opportunity for low-income residents and small business owners	CDBG: $100,000	5 Businesses Assisted 15 persons assisted (job training)
Description: Expand economic opportunity for low-income residents and business owners through technical assistance, small business loans/grants, and other forms of assistance to facilitate recovery from the economic disruption of early 2020. This includes activities focused on job creation/retention and employment training, in addition to financial and technical assistance to businesses including microenterprises.						
Goal 6 Planning and Administration	2020 - 2024	All	Citywide	All	CDBG: $650,262 HOME: $57,747	Other: 1
Description: Provide for the timely and compliant administration of the CDBG and HOME programs in accordance with HUD policy and federal regulations. Provide for housing, transportation, environmental and other studies or plans necessary to ensure sustainable long-term growth that includes decent housing and a suitable living environment for low- and moderate-income residents. CDBG funds will also be used to make annual repayment on Section 108 loan.						

Table 6 – Goals Summary

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

In accordance with Goal 1 above, the City anticipates serving 40 extremely-low- or low-income households with tenant-based rental assistance. HOME-assisted units shall meet the requirements of 24 CFR 92.254.

AP-35 Projects – 91.220(d)

Introduction

To address the high priority needs identified in the Strategic Plan to the Consolidated Plan, the City of Palmdale will invest CDBG and HOME funds in projects that will provide short- and medium-term tenant-based rental assistance, increase the supply of affordable housing, provide fair housing services, provide public services for homeless residents and residents at-risk of homelessness, improve public facilities and infrastructure, and expand economic opportunity for low-income residents and small business owners. Together, these projects will address the housing, community and economic development needs of Palmdale residents-particularly those residents residing in the low- and moderate-income areas.

Projects

#	Project Name
1	Tenant-Based Rental Assistance
2	Affordable Rental Housing
3	Affordable Rental Housing (CHDO)
4	Fair Housing Services
5	South Antelope Valley Emergency Services (SAVES)
6	Section 108 Loan Debt Services & Trustee Fees
7	Public Facilities and Improvements
8	Economic Opportunity Programs
9	Planning and Administration

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Based on the Strategic Plan, the City is allocating 100 percent of its CDBG funds (excluding CDBG Section 108 Debt Service & Trustee Fees funds and CDBG administration) and HOME funds (excluding HOME administration) for program year 2021 to projects and activities that benefit low- and moderate-income people. Due to the nature of the projects and activities to be undertaken, investments in all projects concerning Public Facilities and Infrastructure Improvements, benefit low- and moderate-income limited clientele or housing preservation, affordability and development are available citywide.

The primary obstacles to meeting the underserved needs of low- and moderate-income people include lack of funding from federal, state and other local sources, the high cost of housing that is not affordable to low-income people and the lack of availability of home improvement financing in the private lending industry. To address these obstacles, the City is investing CDBG and HOME funds through the 2021 Action Plan in projects that will be used to provide rental assistance, increase the supply of affordable housing, ensure equal access to housing opportunities, provide for public facilities and infrastructure improvements, promote economic opportunity for low-income residents and small business owners, and provide public services to low- and moderate-income residents to prevent and eliminate homelessness.

AP-38 Project Summary

Project Summary Information

1	Project Name	Tenant-Based Rental Assistance
	Target Area	Citywide
	Goals Supported	Affordable Housing
	Needs Addressed	Provide rental assistance to low-income households
	Funding	HOME: $150,000
	Description	Provide short- and medium-term Tenant-Based Rental Assistance to low-income households.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 40 low-income households will benefit from the proposed activity.
	Location Description	Citywide
	Planned Activities	Tenant-Based Rental Assistance

2	Project Name	Affordable Rental Housing
	Target Area	Citywide
	Goals Supported	Affordable Housing
	Needs Addressed	Increase the supply of affordable housing
	Funding	HOME: $369,973 (includes $68,660 in Community Housing Development Organization (CHDO) funds)
	Description	TBD: The City will conduct a public hearing to amend the Action Plan once a suitable project is identified
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	TBD
	Location Description	Citywide
	Planned Activities	TBD: The City will conduct a public hearing to amend the Action Plan once a suitable project is identified

3	Project Name	Affordable Rental Housing (CHDO)
	Target Area	Citywide
	Goals Supported	Affordable Housing
	Needs Addressed	Increase the supply of affordable housing
	Funding	HOME: $68,660 (CHDO set-aside)
	Description	TBD: The City will conduct a public hearing to amend the Action Plan once a suitable project is identified
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	TBD
	Location Description	Citywide
	Planned Activities	TBD: The City will conduct a public hearing to amend the Action Plan once a suitable project is identified

4	Project Name	Fair Housing Services
	Target Area	Citywide
	Goals Supported	Fair Housing Services
	Needs Addressed	Ensure equal access to housing opportunities
	Funding	CDBG: $36,782
	Description	Fulfill the HUD regulatory mandate to affirmatively further fair housing choice through the provision of fair housing education, counseling, anti-discrimination and landlord-tenant mediation services.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 300 people will benefit from the proposed activity.
	Location Description	Citywide
	Planned Activities	Housing Rights Center: Fair Housing Services

5	Project Name	South Antelope Valley Emergency Services (SAVES)
	Target Area	Citywide
	Goals Supported	Public services including homelessness
	Needs Addressed	Prevent and eliminate homelessness Provide public services for residents, including those with special needs
	Funding	CDBG: $231,234
	Description	Support a continuum of services in the Antelope Valley to prevent and eliminate homelessness including but not limited to emergency services, homeless prevention programs, case management and bridge housing.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 4,000 people will benefit from the proposed activities.
	Location Description	Citywide
	Planned Activities	South Antelope Valley Emergency Services

6	Project Name	Section 108 Loan Debt Service
	Target Area	Citywide
	Goals Supported	Public Facilities and Improvements
	Needs Addressed	Not Applicable
	Funding	CDBG: $378,730
	Description	Annual debt service and trustee fees for Section 108 Loan Guarantee.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Not Applicable
	Location Description	Not Applicable
	Planned Activities	Section 108 Debt Service $378,730

7	Project Name	Public Facilities and Improvements
	Target Area	Low- and Moderate-Income Areas
	Goals Supported	Public Facilities and Improvements
	Needs Addressed	Improve public facilities and Infrastructure
	Funding	CDBG: $628,090
	Description	Improve City of Palmdale public facilities and infrastructure to benefit low- and moderate income people or those presumed under HUD regulations to be low- and moderate-income such as elderly people and disabled adults as well as residents of low- and moderate-income housing as well as conduct ADA improvements to existing city public facilities and spaces.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 15,000 people will benefit from the proposed activities.
	Location Description	Activities will be conducted in areas that qualify as low- or moderate-income areas
	Planned Activities	Conduct sidewalk, lighting and street improvements to Avenue Q-12 (between 10th and 12th Streets) Conduct ADA improvements and upgrades to the Chimbole Cultural Center

8	Project Name	Economic Opportunity Programs
	Target Area	Citywide
	Goals Supported	Economic Opportunity
	Needs Addressed	Expand economic opportunity for low-income residents and small business owners
	Funding	CDBG: $100,000
	Description	Provide technical assistance and support to eligible microbusinesses operating within the City of Palmdale and, as necessary, assistance and job training to potential employees
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	5 businesses assisted 15 persons assisted
	Location Description	The programs will be offered citywide
	Planned Activities	Economic Opportunity Programs $100,000

9	Project Name	Planning and Administration
	Target Area	Citywide
	Goals Supported	All
	Needs Addressed	All
	Funding	CDBG: $271,532 HOME: $57,774
	Description	This project provides for the administration of the CDBG and HOME programs. Funds may also be used to support comprehensive general plan housing element updates currently underway to comply with State law and to plan effectively for fair, affordable housing.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Not Applicable
	Location Description	Not Applicable
	Planned Activities	CDBG Program Administration and Plans $271,532 HOME Program Administration $57,774

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Assistance will be directed to eligible low- and moderate- income areas where applicable. These areas are comprised of low- and moderate-income Census Tract Block Groups as defined by HUD. Residents of these areas have median incomes at or below 80 percent of the area median income (AMI) based on household size for the County of Los Angeles. A total of 117,480 residents live in these Census Tract Block Groups, of which 87,805 or 75 percent are members of low- and moderate-income households according to HUD low- and moderate-income summary data available at the Census Tract Block Group level. Based on available data and mapping in the Consolidated Plan, these areas are primarily Hispanic.

Geographic Distribution

Target Area	Percentage of Funds
Citywide	100%

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

For the 2021 program year, the City will invest 100% of CDBG funds (excluding administration and Section 108 debt service) are targeted to low- and moderate-income residents.

Discussion

Based on the Strategic Plan, the City is allocating 100 percent of its CDBG funds (excluding Section 108 Debt Service, administration, and the spot blight activity) and HOME funds (excluding Administration) for program year 2021 to projects and activities that benefit low- and moderate-income people.

AP-55 Affordable Housing – 91.220(g)

Introduction

The City placed a high priority on affordable housing in the Consolidated Plan. The top three goals in the Consolidated Plan's Strategic Plan include Affordable Housing, Fair Housing Services, and Public Services including Homelessness. These goals establish a framework to invest CDBG and HOME funds to address the affordable housing needs of the City.

Increase the Supply of Affordable Housing

Based on evaluation of 2011-2015 ACS and CHAS data, there is a high need for housing units affordable for low-income households. Of the 25,195 households earning 0-80 percent of AMI in the City, 17,537 are cost burdened households—meaning households paying more than 30 percent of their income for housing. Of the 17,537 cost burdened households, 9,699 are renters, with 5,675 earning 0-30 percent of AMI, 2,590 earning 30-50 percent of AMI, and 1,434 earning 50-80 percent of AMI.

Of the 17,537 cost-burdened households, 9,639 are severely cost burdened households—meaning that they pay more than 50 percent of their income for housing. Of these, 5,789 are severely cost burdened renters. Of the severely cost burdened renters, 4,770 earn 0-30 percent of AMI, 885 earn 30-50 percent of AMI, and 134 earn 50-80 percent of AMI.

Severely cost burdened renter households earning less than 80 percent of AMI are at-risk of homelessness, particularly those earning less than 50 or less than 30 percent of AMI.

Increasing the supply of housing units affordable for low-income households that are restricted for low-income households for a long term (generally 20-55 years or more) is rated as the highest priority need due to the number of severely cost burdened households in Palmdale.

Additionally, preservation of the physical and functional integrity of existing housing units occupied by low- and moderate-income households is a cost-effective way to invest limited resources to retain existing housing units that are already affordable to low- and moderate-income households in the community. Addressing substandard housing conditions through housing preservation activities provide that all economic segments of the community have the means to ensure that their property meets local standards and that all Palmdale residents have the opportunity to live in decent housing. During the 2021 program year, the City prioritized funding for increasing the supply of affordable housing and providing rental assistance. Therefore, no rehabilitation projects are planned.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	40
Special-Needs	0
Total	40

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	40
The Production of New Units	0
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	40

Table 10 - One Year Goals for Affordable Housing by Support Type

AP-60 Public Housing – 91.220(h)

Introduction

The City of Palmdale Housing Authority was formed in 1994 under State of California Housing Authority Law to actively improve existing neighborhoods and develop affordable housing opportunities using local, state and federal resources. The Palmdale Housing Authority does not administer Section 8 and does not own HUD Public Housing; however, the City is within the service area of the Los Angeles County Development Authority (LACDA) for the purposes of Section 8 and Public Housing.

Actions planned during the next year to address the needs to public housing

During the 2021-2022 program year, LACDA will continue providing housing and public services to existing residents of the City of Palmdale. LACDA takes in feedback of residents collected through resident surveys distributed throughout the City of Palmdale to improve services.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

LACDA actively encourages residents to be involved in the organization through resident councils and active participation in housing authority decisions via surveys and other forms of engagement. Resident surveys were distributed with translation services available on request. Community meetings in low-income areas were hosted with copies of the Consolidated Plan draft being available in these areas. A public hearing is conducted to accept public comments on the draft plan before its approval and submittal to HUD. Grant funding is administered to increase housing availability and accessibility to residents to encourage greater participation in homeownership. LACDA also maintains quarterly newsletters for Section 8 tenants, public housing residents, and Section 8 property owners.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable. LACDA is considered a High Performing PHA.

Discussion

LACDA is well-positioned to continue providing Section 8 Housing Choice Vouchers in the City of Palmdale and throughout Los Angeles County.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City will invest CDBG funds during the 2021-2022 program year to address high priority needs identified in the 2020-2024 Consolidated Plan including providing public services that address homelessness.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Preventing and ending homelessness is a HUD priority addressed nationally through coordination of regional strategies carried out locally by government agencies and a wide variety of community-based organizations and faith-based groups. Consistent with this approach, the City of Palmdale supports the efforts of The Los Angeles Homeless Service Authority (LAHSA), County Continuum of Care (CoC), and its member organizations that address homelessness throughout Los Angeles County and more specifically in SPA1. In alignment with this strategy, the City will use CDBG funds to support local service providers as well as City run programs to prevent homelessness and to expand the supply of affordable housing in Palmdale for low- and moderate-income residents.

In February 2016, the Los Angeles County Board of Supervisors and the City of Los Angeles approved a new joint Homeless Initiative plan to address homelessness in the Los Angeles region (Homeless Initiative). The strategies were developed after 18 policy summits that brought together more than 100 community organizations, 25 County departments and 30 cities including the City of Palmdale. In March 2017, voters approved Measure H, a 10 year, 0.25% sales tax increase. Through the Homeless Initiative, the City was one of 47 Cities to receive a planning grant in 2017, resulting in the City of Palmdale's Homeless Plan, which identifies the local need and strategies to partner with local service providers to meet those needs. In this program year, the City will work with the CoC and the County to address the needs identified through collaboration and coordination of resources and services.

Addressing the emergency shelter and transitional housing needs of homeless persons

Through the Homeless Initiative, the County and CoC are working to strengthen and increase the availability of housing and services at all levels. The ultimate solution to ending homelessness is transitional to permanent housing closely aligned with supportive services that ensure housing stability can be maintained. However, because the demand for affordable housing far outpaces the region's supply, the CoC continues to rely on its emergency and bridge housing system in order to address the immediate needs of Los Angeles County's homeless population. At the same time, the only year-round emergency shelter in the Antelope Valley closed in August, 2017. As a result, the CoC is collaborating with a range of non-profit and community organizations to fill the gap, including providing funding for a local winter shelter. Additional funding has been infused in the community through Project Roomkey to provide families with emergency motel vouchers and provide households with rapid rehousing assistance.

Los Angeles County has implemented policy and program changes aimed at ensuring homeless persons in Los Angeles County are rapidly housed and offered an appropriate level of support services to meet their circumstances and keep them stably housed.

This increase in rapid rehousing and permanent supportive housing for the most vulnerable populations is attributed to Los Angeles County homeless service providers re-tooling their programs and shifting their focus to moving people quickly into permanent supportive housing throughout the County. Homelessness can be significantly reduced and the quality of life of our residents, especially those precariously housed or homeless can be improved.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Leveraging CoC efforts, this Strategic Plan provides for the use of CDBG public service funds to support the social safety net activities of SAVES and HOME funds to provide short- and medium-term tenant-based rental assistance to keep individuals and families housed or to rapidly re-house individuals and families experiencing homelessness. Additionally, the homeless plan goals and efforts included in the foregoing paragraphs also will help homeless persons, especially chronically homeless individuals and families, families with children, veterans, and unaccompanied youth make the transition to permanent housing and independent living. The City's goals are consistent with HUD's goal to shorten the period that individuals and families experience homelessness and to facilitate access for homeless individuals and families to affordable housing units. The City's goals are aligned with HUD's goal to prevent individuals and families who were recently homeless from becoming homeless again.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

An individual or family is considered to be at-risk of becoming homeless if they experience extreme difficulty maintaining their housing and has no reasonable alternatives for obtaining subsequent housing. Homelessness often results from a complex set of circumstances that require people to choose between food, shelter and other basic needs. Examples of common circumstances that can cause homelessness include eviction, loss of income, insufficient income, disability, increase in the cost of housing, discharge from an institution, irreparable damage or deterioration to housing, and fleeing from family violence.

The "Approved Strategies to Combat Homelessness" published by L.A. County on February 9, 2016 (Homeless Initiative) are consistent with State and Federal initiatives for ending homelessness and consists of 47 strategies arranged by six guiding principles including A) Prevent Homelessness, B) Subsidize Housing,

C) Increase Income, D) Provide Case Management and Services, E) Create a Coordinated System, and F) Increase Affordable/Homeless Housing. The Homeless Initiative represents a commitment by all stakeholders throughout the County to prevent and end homelessness.

Through implementation of the collaborative goals of the City of Palmdale's Homeless Plan and implementation of best practices developed through the CoC, the community will be able to serve people discharged from publicly funded institutions or systems of care such as health care facilities or correction programs. Full implementation of the Coordinated Entry System will reduce the number of people discharged from publicly funded institutions into homelessness.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction

A barrier to affordable housing is a public policy or nongovernmental condition that constrains the development or rehabilitation of affordable housing, such as land use controls, property taxes, state prevailing wage requirements, environmental protection, cost of land and availability of monetary resources. Barriers to affordable housing are distinguished from impediments to fair housing choice in the sense that barriers are lawful and impediments to fair housing choice are usually unlawful.

Based on information gathered during community meetings, the Consolidated Plan survey, the 2013-2021 Housing Element and market analysis, the primary barriers to affordable housing in Palmdale are housing affordability and the lack of monetary resources necessary to develop and sustain affordable housing. The two barriers are related in the sense that demand for affordable housing exceeds the supply and insufficient resources are available to increase the supply of affordable housing to meet demand.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

In the development of the 2013-2021 Housing Element, the City evaluated significant public policies affecting affordable housing development such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges and growth limitations. Based on this evaluation, the City determined that it has taken all necessary steps to ameliorate the negative effects of public policies that may have been a barrier to affordable housing. Moreover, the City is actively engaged with affordable housing developers concerning the siting of affordable housing and ensuring that the entitlement process runs smoothly from inception to completion.

AP-85 Other Actions – 91.220(k)

Introduction

In the implementation of the 2021-2022 Annual Action Plan, the City will invest CDBG and HOME resources to address obstacles to meet underserved needs, foster and maintain affordable housing, reduce lead-based paint hazards, reduce the number of poverty-level families, develop institutional structure and enhance coordination between public and private housing and social service agencies.

Actions planned to address obstacles to meeting underserved needs

The primary obstacles to meeting the underserved needs of low- and moderate-income people include lack of funding from federal, state and other local sources, the high cost of housing that is not affordable to low-income people and the lack of availability of home improvement financing in the private lending industry. To address these obstacles, the City is investing CDBG and HOME funds through the 2021-2022 Annual Action Plan in projects that will provide public services to low- and moderate-income people to prevent homelessness, rental assistance to low-income households, and projects that provide the infrastructure necessary to facilitate access to public facilities where services are provided. To address underserved needs, the City is allocating the majority of its CDBG and HOME funds (excluding Section 108 Debt Service and Administration) for program year 2021-2022 to projects that benefit low- and moderate-income people.

Actions planned to foster and maintain affordable housing

In the implementation of the 2021-2022 Annual Action Plan, the City will invest HOME funds to foster affordable housing by partnering with housing developers in an effort to support the development of new rental housing units, and provide tenant-based rental assistance to low-income tenants requiring affordable housing..

Actions planned to reduce lead-based paint hazards

The Residential Lead Based Paint Hazard Reduction Act of 1992 (Title X) emphasizes prevention of childhood lead poisoning through housing-based approaches. To reduce lead-based paint hazards, the City of Palmdale will conduct lead-based paint testing and risk assessments for future rehabilitation projects where the property to be assisted was built prior to January 1, 1978 and will incorporate safe work practices or abatement into the scope of work as required to reduce lead-based paint hazards in accordance with 24 CFR Part 35.

Actions planned to reduce the number of poverty-level families

The implementation of CDBG and HOME activities meeting the goals established in the 2020-2024 Consolidated Plan - Strategic Plan and this Annual Action Plan will help to reduce the number of poverty-level families by:

- Supporting activities that increase the supply of housing that is affordable to low- and moderate-income households;
- Supporting activities that ensure equal access to housing opportunities;
- Supporting public service activities that address homelessness and special needs populations;
- Supporting activities that improve public facilities and infrastructure; and
- Supporting economic opportunity programs to help families recover from the economic impacts of the COVID-19 pandemic that began in early 2020.

In addition to these local efforts, mainstream state and federal resources also contribute to reducing the number of individuals and families in poverty. Federal programs such as the Earned Income Tax Credit and Head Start provide pathways out of poverty for families who are ready to pursue employment and educational opportunities. Additionally in California, the primary programs that assist families in poverty are CalWORKS, CalFresh (formerly food stamps) and Medi-Cal. Together, these programs provide individuals and families with employment assistance, subsidy for food, medical care, childcare and cash payments to meet basic needs such as housing, nutrition and transportation. Other services are available to assist persons suffering from substance abuse, domestic violence and mental illness.

Actions planned to develop institutional structure

To address the lack of resources necessary to support local programs in Palmdale for special needs populations and persons experiencing homelessness, the City's Departments continue to facilitate strategic regional partnerships in L.A. County to bring resources into the Antelope Valley. The City's partnership between SAVES and the Los Angeles Regional Foodbank, forged during the previous planning cycle, is an example of the level of determination the City has to provide essential services to its residents. The Department of Administrative Services continues to search for alternate funding sources.

Actions planned to enhance coordination between public and private housing and social service agencies

To enhance coordination between public and private housing and social service agencies, the City will continue consulting with and inviting the participation of a wide variety of agencies and organizations involved in the delivery of housing and supportive services to low- and moderate-income residents in Palmdale—particularly the low-and moderate- income areas.

Discussion

In the implementation of the 2021-2022 Annual Action Plan, the City will invest CDBG and HOME resources to address obstacles to meeting underserved needs, foster and maintain affordable housing, reduce lead-based paint hazards, reduce the number of poverty-level families, develop institutional structure and enhance coordination between public and private housing and social service agencies.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

Introduction

In the implementation of programs and activities under the 2021 Annual Action Plan, the City of Palmdale will follow all HUD regulations concerning the use of program income, forms of investment, overall low- and moderate-income benefit for the CDBG program and recapture requirements for the HOME program.

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	$104,807
5. The amount of income from float-funded activities	0
Total Program Income:	$104,807

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100%

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

   The City does not use forms of investment other than what is included in § 92.205(b).

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

   The City's HOME-funded homebuyer programs incorporate a recapture provision in accordance with § 92.254 (a)(5)(ii). As a condition of funding, the homebuyer must enter into a HOME Participation Agreement with the City of Palmdale. The City's investment in the property is made as a forgivable loan in exchange for a 15-year affordability period as required under the HOME Program Regulations. The affordability period is enforced by a recorded affordability covenant against the property.

   Recapture of funds is required in the event of any of the following during the period of affordability:

   1. Sale of the property or transfer of any kind to non-income qualified homebuyers (excluding those related to the dissolution of marriage);
   2. When the residence ceases to be used as the primary residence, subleasing or renting of the property;
   3. Refinancing; and
   4. Failure to maintain the property in decent, safe, and sanitary condition.

   The funds subject to recapture include all funds advanced in connection with the City's homebuyer assistance, less forgiveness payments credited proportionally each year on the anniversary of the Note. HOME funds shall be recaptured from net proceeds, which are defined as the sales price minus superior loan repayment (other than HOME assistance) and closing costs. The City will recapture the entire amount of HOME funds invested from net proceeds, less any forgiveness payments credited. In the event that the net proceeds resulting from a sale are not sufficient to provide for the full return of the Borrower's original down payment and Borrower's cost of capital improvements to the Property (subject to City verification and approval), then the Borrower shall be entitled to recover their original down payment amount and City approved capital improvement amounts before the recapture of the HOME Loan. The recaptured funds will be used to carry out HOME eligible activities.

3. A description of the guidelines for resale or recapture that ensures the affordability of units

acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

See above.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The City does not intend to use HOME funds under the 2021 Annual Action Plan to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

Discussion

In the implementation of programs and activities under the 2021 Annual Action Plan, the City of Palmdale will follow all HUD regulations concerning the use of CDBG and HOME funds.

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT ORDINANCE NO. 1564 AMENDING THE PALMDALE MUNICIPAL CODE TITLE 16 SUBDIVISIONS**

ISSUE

Adopt Ordinance No. 1564 amending the Palmdale Municipal Code Title 16 Subdivisions.

RECOMMENDATION

Staff recommends that the City Council adopt Ordinance No. 1564 Amending Title 16 Subdivisions of the Palmdale Municipal Code.

BACKGROUND

Title 16 – "Subdivisions" of the City's Municipal Code was last updated was in 1996. Title 16 includes eighteen chapters that provide the regulations for the City to regulate and control the division of land within the City of Palmdale and to supplement the provisions of the State's Subdivision Map Act concerning the design, improvement and survey data of subdivisions, the form and content of all required maps, and the procedure to be followed in securing the City's official approval of all required maps. There have been a number of changes to the State Subdivision Map Act and City policies and procedures since the last update of these provisions in 1996.

DISCUSSION

The City's Public Works Department staff enlisted the services of a consultant to assist in the (1) analysis of the code; (2) development of revised code language incorporating changes and updates to subdivision regulations, and (3) preparation of a City specific guide for the development community entitled "Guide for the Preparation of Final Maps and Parcel Maps" and accompanying forms. The guide will assist the applicant surveyor/engineer in preparing a Final Subdivision Map through the City of Palmdale Public Works Engineering Division, to provide uniformity, and to streamline the current procedures. The general practices, policies, and procedures apply to all subdivision maps processed by the City.

As a result of this review, consultant recommends modification to Title 16 as shown in Exhibit “A” and establishes “Guide for the Preparation of Final Maps and Parcel Maps”

FISCAL IMPACT

In accordance with the City’s adopted fee schedule for services, the applicant is required to pay the cost for the review and processing of subdivision development applications made pursuant to Title 16: Subdivisions title of the City Code.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

C. Plan and maintain safe and attractive neighborhoods, streets, facilities, and public spaces with exciting programming that promotes active fun for everyone.

Prepared by:	Chuck Heffernan, Director of Public Works
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Ordinance No. 1564

CITY OF PALMDALE
COUNTY OF LOS ANGELES, CALIFORNIA
ORDINANCE NO.1564

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE MODIFYING TITLE 16: SUBDIVISIONS, OF THE CITY CODE REGULATING THE DESIGN, IMPROVEMENT AND SURVEY DATA OF SUBDIVISION AND CERTAIN OTHER DIVISIONS OF LAND AND THE FORM AND CONTENT OF TENTATIVE, FINAL AND PARCEL MAPS THEREOF

WHEREAS, Government Code sections 66410 et seq. (the Subdivision Map Act, "SMA"), establish comprehensive regulations for the subdivision of land. The SMA requires local agencies to adopt regulations for the design and improvement of subdivisions and authorizes local agencies to adopt additional subdivision regulations consistent with State law. This title adopts regulations governing subdivision of land in the City as required by and authorized under the SMA; and

WHEREAS, Title 16 of Palmdale Municipal has not been updated since 1996; and

WHEREAS, Contract consultant has conducted review, analysis and provide recommendation to update the current Title 16 codes; and

WHEREAS*,* on June 1, 2021, the City Council of the City of Palmdale conducted a duly noticed public hearing on the ordinance 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.

THE CITY COUNCIL OF THE CITY OF PALMDALE DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby add the following sections to Title 16: Subdivisions of the Palmdale Municipal Code to read as follow:

Section 16.10.069 Condominium

The term “condominium” means a common interest development or community apartment project, planned development, stock cooperative or townhouse form of ownership involving separate ownership or permanent right of exclusive use of individual units as defined in § 1351 of the California Civil Code.

Section 16.10.111 Duly Authorized Registered Civil Engineer

The term “Duly Authorized Registered Civil Engineer” means Civil Engineer licensed before January 1, 1982 per Business & Professions code § 6731

SECTION 2. The City Council hereby amends the following sections of Title 16: Subdivisions of the Palmdale Municipal Code to read as follow:

Section 16.10.090 Development Advisory Board.

The term “Development Advisory Board” means those representatives of the City of Palmdale Planning Department, Public Works Department, Fire Department, Building and Safety, Crime Prevention, and those representatives of local public utilities, who confer from time to time to review development applications and preliminary development proposals for conformance with City regulations, policies and standards.

Section 16.30.030 Requirements for parcel maps.

A parcel map or a tentative parcel map as provided in PMC 16.30.010 shall be required for all subdivisions creating four or fewer lots, four or fewer condominiums, a community apartment project containing four or fewer dwelling units, and for the conversion of the dwelling to a stock cooperative containing four or fewer units, except that parcel maps shall not be required for:

(A) Subdivisions of a portion of the operating right-of-way of a railroad corporation, as defined by Public Utilities Code Section 230, which are created by short-term leases terminable by either party on not more than 30 days’ written notice; or

(B) Any interest in land conveyed to or from a governmental agency, public entity, public utility, or for land conveyed to a subsidiary of a public utility for conveyance to such public utility, for rights- of-way where such conveyance has been reviewed in accordance with this title, unless a showing is made in individual cases, upon substantial evidence, that public policy necessitates a parcel map; or

(C) Lot line adjustments between four or fewer adjoining parcels, in accordance with this title; or

(D) The merger of contiguous parcels under common ownership, subject to the recordation of an instrument evidencing the merger, such instrument to be approved in accordance with this title.

Section 16.40.020 Tentative map form and content.

Before any tentative map, or request for extension thereto, is accepted for filing, the subdivider shall file with the Director of Planning a completed application form, pay all applicable fees, and submit the required number of copies of the tentative map and all supporting materials and documents required on the City’s official application form.

The Director of Planning and the City Engineer may, from time to time, amend the official application form and the map submittal requirements specified thereon. Tentative maps shall be prepared in a size, form, and manner acceptable to the Director of Planning and the City Engineer and shall be prepared by a duly authorized registered civil engineer or licensed land surveyor authorized to practice land surveying by the state of California, pursuant to the requirements of the City Engineer. The tentative map shall be clearly and legibly drawn on one sheet and shall contain all information required by the official application form and any requirements identified during the preliminary review of the map by the City. Vesting tentative maps shall conform with Chapter 16.100 PMC. The Director of Planning and the Development Advisory Board may modify any of the above tentative map submittal requirements through the preliminary conceptual review process, if the type of subdivision does not need to comply with these requirements, or if other circumstances justify a modification or a waiver. The Director of Planning and Development Advisory Board may require other drawings, data, reports or information deemed necessary to accomplish the purposes of the Subdivision Map Act, the California Environmental Quality Act and this title.

Section 16.40.050 Notification of affected agencies.

Pursuant to Government Code Section 66455.7, notice of a proposed subdivision shall be provided to affected school districts within five days of the application being deemed complete. In addition, pursuant to Government Code Sections 66455 through 66455.9, notice may also be provided to other affected agencies, which may include but shall not be limited to the County of Los Angeles, the city of Lancaster, the city of Santa Clarita, state agencies, including Caltrans and the Department of Water Resources, regional agencies, nearby town councils, transit providers, water districts, and other utilities or service providers.

Section 16.40.120 Expiration of tentative maps and timely filing of final or parcel maps.

(A) The initial approval or conditional approval of a tentative map shall expire 36 months from its adoption by the Planning Commission or, if appealed, from the City Council's action. Expiration of an approved or conditionally approved tentative map shall terminate all proceedings and no final or parcel map of all or any portion of the real property included within the tentative map shall be filed without processing a new tentative map in accordance with the provisions of this title. Once a complete and timely filing of a final map, as described in PMC 16.70.050, has been made by the subdivider to the City Engineer, the final processing, approving and recording may lawfully occur after the date of expiration of the tentative map; however, should the City Engineer determine that a complete and timely filing has not been received, the tentative map

shall expire on its expiration date, unless a complete and timely filing is received prior to that date.

(B) A final map shall be deemed in substantial conformance with the approved tentative map if the Planning Director finds, in consultation with the City Engineer, that all of the following criteria are satisfied:

(1) The final map is in compliance with all conditions of approval applied to the tentative map;

(2) Less than 10 percent of the total number of lots in the subdivision have been modified in their configuration, and no increase or decrease in the number of lots has occurred, and a minor modification, in accordance with PMC 16.40.110 has been previously approved;

(3) No cul-de-sac, local or collector roadway has been modified by more than two feet in horizontal alignment of more than one foot in vertical alignment and a minor modification, in accordance with PMC 16.40.110 has been previously approved;

(4) The design or location of any required infrastructure improvement, including flood control structures, open space landscape areas, utility easements, major and secondary arterial roadways and primary or secondary access roads have not been modified in such a way as to reduce their effectiveness, cause increased maintenance expense or jeopardize public health and safety, as determined by the City Engineer;

(5) The final map accurately portrays approved phasing plans;

(6) The grading concepts approved for the tentative map have not been modified in such a way as to increase the area or volume of off-site grading, substantially increase on-site slope heights, or increase the grade differential between on- and off-site pad elevations by more than 10 percent;

(7) The final map is reflective of the requirements, standards, design and intent of the approved tentative map, as determined by the Planning Director and the City Engineer.

(C) If the filing of multiple final maps is authorized under the tentative map approval, pursuant to PMC 16.40.130, and the Director of Planning and the City Engineer determine that a condition of approval of the tentative map is an expenditure in the amount specified under Government Code Section 66452.6(a), including specified adjustments for inflation, for public improvements of public rights-of-way which are outside and/or abut the boundary of the property to be subdivided and reasonably relate to the development of that property, then the tentative map will be extended for 36 months upon the timely filing of the first phase of the final map within the original approval period of the tentative map.

(1) Except as provided in subsection (C)(2) of this section, the timely filing of subsequent final maps authorized under the tentative map approval pursuant to this subsection shall extend the life of the tentative map for a period of 36 months from the date of the previously filed final map; provided, that such extensions shall not extend the tentative map more than 10 years. However, a tentative map on property subject to a development agreement may be extended for the period of time provided for in the agreement.

(2) If two or more final maps from the same tentative map are filed within any period of 12 consecutive months, the applicant shall only be entitled to one automatic extension, pursuant to Government Code Section 66452.6(a) and subsection (C) of this section.

(3) A request by a subdivider for the granting of an automatic time extension shall be processed as an administrative review of the tentative map to reflect conditions of approval, and shall be subject to any fees required by City Council resolution.

Section 16.40.140 Discretionary extensions of tentative maps.

(A) The subdivider may request an extension of the expiration date of the approved or conditionally approved tentative map by filing an application for discretionary time extension with the Planning Department prior to the expiration of the tentative map. Upon application of the subdivider filed prior to the expiration of the approved or conditionally approved tentative map, the time at which the map expires may be extended by the Planning Commission for a period or periods not exceeding a total of six years. Upon the filing of the extension request, the map shall automatically be extended for 60 days or until the application is acted upon, whichever occurs first. The application for an extension of time shall be the same as the application for a tentative map as specified in PMC 16.40.020, and the subdivider shall pay all applicable fees. Environmental review shall be conducted in accordance with the provisions of the Public Resources Code Section 21000, et seq., and California Code of Regulations Section 15000, et seq. Notice and an opportunity to be heard on tentative map extensions shall be provided in the manner specified in PMC 16.40.070, and shall be reviewed and approved or disapproved in accordance with the provisions of PMC 16.40.100. The Commission may deny an extension if it makes a finding, supported by evidence in the record, with respect to nonvesting maps, that the extension will adversely affect the public health, safety or welfare, or if any of the findings contained in PMC 16.40.100 can no longer be made with respect to the proposed subdivision or, with respect to vesting maps, the Commission may deny an extension if it makes a finding, supported by evidence in the record, that any of the findings contained in PMC 16.100.060 are applicable.

(B) Extensions granted under this section shall not include any period of time during which a development moratorium is in effect.

(C) The Planning Commission's action, made pursuant to this section, to approve or disapprove an extension to the expiration date of a tentative map may be appealed to the City Council in accordance with the procedures set forth in Section 20.11 of the City's zoning ordinance. Notwithstanding any other time periods to the contrary that are set forth in zoning ordinance Section 20.11, the Planning Commission's decision may be appealed to the City Council by the subdivider by filing a written appeal within 15 days of the Planning Commission's decision or by another person adversely affected by the Planning Commission's decision by filing a written appeal within 10 days of the Planning Commission's decision. The expiration of a tentative map will not be extended by the filing of an appeal, and no final map will be accepted by the City Engineer for any tentative map which has expired while under appeal, unless and until a time extension is granted by the reviewing authority.

Section 16.70.010 General.

The form, contents, accompanying data, and filing of the final or parcel map shall conform to the provisions of the Subdivision Map Act and this title. The final or parcel map and any accompanying data or additional information shall be prepared by or under the direction of a duly authorized registered civil engineer or licensed land surveyor authorized to practice in the state of California.

Section 16.80.010 Survey and monuments required.

(A) An accurate and complete survey of the land to be subdivided shall be made by a duly authorized registered civil engineer or licensed land surveyor authorized to practice land surveying by the state of California, pursuant to the requirements of the City Engineer. All information required by City standards shall be incorporated into the survey.

(B) At the time of making the survey for the final or parcel map, or within two years from the complete and timely filing of the final or parcel map, whichever occurs first, the duly authorized registered civil engineer or licensed land surveyor, authorized to practice land surveying by the state of California, pursuant to the requirements of the City Engineer, shall set sufficient durable monuments to conform with the standards of the Subdivision Map Act and City standards.

(C) The City Engineer may waive the requirements in subsections (A) and (B) of this section for parcel maps at his or her discretion.

Section 16.150.010 General.

(A) A lot line adjustment may be approved between four or fewer existing adjoining parcels, where a greater number of parcels than originally existed is not thereby created, in accordance with the following provisions:

(1) Applications for lot line adjustment shall be filed with the City Engineer on the forms prescribed, and shall be reviewed and approved by the City Engineer, in consultation with the Director of Planning.

(2) Review by the City Engineer and the Planning Director shall be limited to whether or not the parcels resulting from the proposed lot line adjustment will comply with the zoning ordinance and building code.

(3) Conditions of approval and exactions shall be limited to those required to facilitate conformance with the Palmdale general plan, zoning ordinance, building code or the relocation of existing utilities, infrastructure or easements.

(4) No record of survey shall be required, unless required by Section 8762 of the Business and Professions Code.

(5) The existing parcels must have been lawfully created per Government Code § 66412.6 as a condition of application for a Lot Line Adjustment as the lots will subsequently be issued Certificates of Compliance. The lots shall have been lawfully created by a Final Map, Parcel Map or presumed lawfully created per Government Code section 66412.6.

(B) City Engineer and Director of Planning shall approve or disapprove the lot line adjustment within the time frames established by Public Resources Code Section 21151.5, and Government Code Section 66452.2. The City shall comply with the requirements of the California Environmental Quality Act, to the extent required, if any conditions of the lot line adjustment are likely to have a potential impact on the environment, and shall comply with applicable notice and hearing requirements, if the adjustment or the conditions of approval may affect the interests of surrounding property owners.

Section 16.160.020 Review by City Engineer.

(A) If the City Engineer determines that the real property complies with the provisions of the Subdivision Map Act and this title, the City Engineer shall file a certificate of compliance for record with the office of the County Registrar/Recorder. The certificate of compliance shall identify the real property and shall state that the division thereof complies with the provisions of the Subdivision Map Act and this title.

Parcels which have been issued by Los Angeles County Certificates of Exception may be eligible for Certificates of Compliance providing they are compliant with current City Standards.

(B) If the City Engineer determines that the lot or parcel does not comply with the provisions of the Subdivision Map Act or this title at the time the owner acquired his or

her interest in the property, the City Engineer may, as a condition of granting the certificate of compliance, impose conditions to bring the lot or parcel into compliance with the City's standards that were in effect at the time of the property owner's acquisition of the property.

(C) If the City Engineer determines that the lot or parcel was created in violation of the Subdivision Map Act or this title, and the current owner was the owner at the time of the illegal subdivision, the City Engineer may, as a condition of granting a certificate of compliance, impose conditions that would be applicable to a current division of property.

(D) Prior to issuing a conditional certificate of compliance, the City Engineer shall comply with the requirements of the California Environmental Quality Act, to the extent required, if the conditions of the certificate are likely to have a potential impact on the environment, and shall comply with applicable notice and hearing requirements, if the decision may affect the interests of surrounding property owners.

(E) Upon the City Engineer's making such a determination and establishing such conditions, the Engineer shall file a conditional certificate of compliance for record with the office of the County Registrar/Recorder. Such certificates shall serve as notice to the property owner, or any subsequent transferee or assignee of the property, that the fulfillment and implementation of such conditions shall be required prior to subsequent issuance of a permit or other grant of approval for development of this property. Compliance with such conditions shall not be required until such time as a permit or other grant of approval for development of such property is issued by the City.

SECTION 3. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one (1) or more subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional, or invalid, or ineffective, provided the basic purposes of this Ordinance and the benefits to the City and the public are not substantially impaired.

SECTION 4. The City Clerk shall certify to the adoption of this ordinance and shall cause this ordinance to be published or posted as required by law.

PASSED, APPROVED and **ADOPTED** this _____ day of _____, _____.

_____
Steven D. Hofbauer, Mayor

Approved as to form:

ATTEST:

_____
Christopher L. Beck
City Attorney

_____
Shanae S. Smith, City Clerk

I, Shanae S. Smith, City Clerk of Palmdale, California, do hereby certify that the foregoing Ordinance was duly introduced, passed, approved, and adopted by the City Council of the City of Palmdale at a regular meeting of said Council held on the _____ day of _____, 20___ effective on the ____ day of _____, 20___ by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Shanae S. Smith, City Clerk

City Council Staff Report

DATE: **JUNE 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER'S OFFICEFINANCE DIVISION**

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2021-054, AUTHORIZING THE ISSUANCE OF CITY OF PALMDALE COMMUNITY FACILITIES DISTRICT NO. 05-1 (TRADE AND COMMERCE CENTER AREA) 2021 SPECIAL TAX REFUNDING BONDS, AND APPROVING RELATED DOCUMENTS AND ACTIONS**

ISSUE

Adopt resolution No. CC 2021-054, authorizing the issuance of City of Palmdale Community Facilities District No. 05-01 (Trade and Commerce Center Area) 2021 Special Tax Refunding Bonds, and approving related documents and actions.

RECOMMENDATION

Staff recommends that the City Council, acting as the legislative body of Community Facilities District No. 05-01 (Trade and Commerce Center Area), adopt Resolution No. CC 2021-054 authorizing the issuance of City of Palmdale Community Facilities District No. 05-01 (Trade and Commerce Center Area) 2021 Special Tax Refunding Bonds, and approving related documents and actions.

BACKGROUND

The City formed Community Facilities District No. 05-1 (Trade and Commerce Center Area) ("CFD") in 2005. The CFD encompasses 120 acres bordering Trade and Commerce Center Drive between Avenue P-4 and Avenue Q. The CFD was formed for the purpose of issuing special tax bonds to refinance assessment districts and a community facilities district with liens on the properties within the CFD and for curing delinquent taxes. There are 3 series of CFD Special Tax Bonds outstanding:

Series	Outstanding	Interest Rate
2005 Series A	$ 4,160,000	6.25%
Converted 2005 Series A	1,080,000	6.75%
2007 Series A	5,145,000	6.125%
	$10,385,000	

The City had issued a subordinate 2005 Series B Bond for the CFD, which was converted to a parity 2005 Series A Bond in 2011 (referred to as the Converted 2005 Series A Bond) when it achieved the ratios necessary for conversion.

All of the parcels of taxable property in the CFD are finished lots, with all off-site improvements completed (including curbs, gutters, sidewalks, streetlights and all public utilities in the streets). Not all taxable property in the CFD has been developed. Approximately 69% of the special tax applicable to the 2005 Bonds is levied on undeveloped property and approximately 94% of the special tax applicable to the 2007 Bonds is levied on undeveloped property. Three of the undeveloped parcels are currently owned by the Successor Agency.

DISCUSSION

On May 6, 2021, the Council was presented with an opportunity to refinance the 2005 Series A Bonds, the Converted 2005 Series A Bonds and the 2007 Series A Bonds (collectively the "Existing Bonds") at an average estimated interest rate of approximately 4%. A refinancing at this rate produces a total estimated $2.9 million reduction in debt service payments over 16 years, or approximately $188,000 per year.

These savings will reduce the special tax levy on the properties in the CFD by 17% each year. This reduction in special tax may make development of the vacant properties more cost effective - as well as assist the Successor Agency in closing escrow on the properties in the CFD that are under contract and assist in marketing the other Successor Agency-owned properties.

The City's proposed method of refinancing the Existing Bonds is through the issuance of Special Tax Refunding Bonds ("Refunding Bonds") to be purchased directly by an investor. Because of the percentage of undeveloped land remaining in the CFD, and some recent delinquencies by certain property owners, staff and the municipal advisor determined that a public sale of bonds would not be the most effective method of refinancing the Existing Bonds. Rather, the refinancing would be accomplished by finding one investor to purchase the Refunding Bonds. This financing mechanism is called a "private placement." The City used this same process to refinance certain debt in 2014 secured by park assessments, acquisition and retrofit of the street lights in 2017 and acquisition the records storage facility in 2018.

On May 6, 2021, the City Council was presented with an offer from Western Alliance Bank ("Bank") to purchase the Refunding Bonds. The terms of the Bank's offer ("Commitment Letter") include an interest rate based on spread of 3.0% to 77% of the sum of the 8-Year ICE Interest Rate Swap Rate. Based on current market conditions, the interest rate would be 3.36% as of May 6, 2021. The City Council authorized the City Manager to accept the Bank's offer and execute the Commitment Letter at a date no more than 30 days' prior to the expected closing date of the Refunding Bonds and lock in the interest rate.

Final approval of the financing requires that the City Council, acting as the legislative body of the CFD, adopt a resolution authorizing the Refunding Bonds and the execution of various documents in connection with the refinancing by the City Manager and Finance Manager/City Treasurer.

The City Council resolution establishes the following parameters for the Refunding Bonds: (1) the par amount of the Refunding Bonds cannot exceed $11,000,000, (2) the true interest cost cannot exceed 4% and (3) the requirements of the Mello-Roos Act are met.

The City Council resolution also approves the form of the following documents:

- A Bond Purchase Agreement between the Bank and the City;
- A Fiscal Agent Agreement between City and US Bank, as fiscal agent; and
- An Escrow Agreement between the City and US Bank, as trustee for the Existing Bonds; and

FISCAL IMPACT

There is no fiscal impact to the City. The Refunding Bonds will be payable from special taxes levied on property within the CFD. The special taxes include all the costs to administer the CFD. All financing costs associated with the Refunding Bonds are contingent on the closing of the Refunding Bonds.

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.
D. Pursue alternative financing opportunities for continued infrastructure improvements and quality community programs.

Prepared by:	Willy Galindo, Senior Financial Analyst
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Resolution No. CC 2021-054
2. Bond Purchase Agreement (A-7476)
3. Escrow Agreement (A-7477)
4. Fiscal Agent Agreement (A-7478)

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2021-054

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE AUTHORIZING THE ISSUANCE OF CITY OF PALMDALE COMMUNITY FACILITIES DISTRICT NO. 05-1 (TRADE AND COMMERCE CENTER AREA) 2021 SPECIAL TAX REFUNDING BONDS, AND APPROVING RELATED DOCUMENTS AND ACTIONS.

WHEREAS, the City Council of the City of Palmdale (the "City") has conducted proceedings under and pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), to establish City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) (the "District"), to authorize the levy of special taxes upon the land within the District, and to issue bonds secured by said special taxes; *and*

WHEREAS, on August 2, 2005, the City issued, for and on behalf of the District, its City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2005 Special Tax Refunding Bonds, Series A (the "Original 2005-A Bonds") and its City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2005 Special Tax Refunding Bonds, Subordinate Series B (the "Original 2005-B Bonds") pursuant to a Fiscal Agent Agreement, dated as of July 1, 2005 (the "2005 Fiscal Agent Agreement"), between the City and U.S. Bank National Association, as fiscal agent (the "Prior Fiscal Agent"); *and*

WHEREAS, on August 23, 2007, the City issued, for and on behalf of the District, its City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2007 Special Tax Refunding Bonds, Series A (the "2007 Bonds") pursuant to a Supplemental Agreement No. 1 to Fiscal Agent Agreement (A-2032), dated as of August 1, 2007 ("Supplemental Agreement No. 1"), between the City and the Prior Fiscal Agent; *and*

WHEREAS, pursuant to the 2005 Fiscal Agent Agreement, as amended and supplemented by Supplemental Agreement No. 1 and by a Supplemental Agreement No. 2 to Fiscal Agent Agreement (A-2032), dated as of July 6, 2011 (together, the "Prior Fiscal Agent Agreement"), between the City and the Fiscal Agent, on October 11, 2011, the City converted the Original 2005-B Bonds into Series 2005A Bonds (as defined in the Prior Fiscal Agent Agreement), which converted Original 2005-B Bonds and the Original 2005-A Bonds are collectively referred to herein as the "2005 Bonds," and which 2005 Bonds and the 2007 Bonds are collectively referred to herein as the "Prior Bonds"; and

WHEREAS, due to favorable interest rates in the financial markets, the City Council has determined that it is in the best interests of the City and the District that the Prior Bonds be refunded; *and*

WHEREAS, there has been submitted to the City Council a Fiscal Agent Agreement No. A-7478 (the "Fiscal Agent Agreement"), between the City, for and on behalf of the District, and U.S. Bank National Association, as fiscal agent (the "Fiscal Agent"), providing for the issuance of special tax refunding bonds (the "Bonds") of the City for and on behalf of the District under the authority provided in the Act and Article 11, commencing with Section 53580, of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Refunding Law"), and the City Council, with the aid of City staff, has reviewed the Fiscal Agent Agreement and found it to be in proper order, and now desires to approve the Fiscal Agent Agreement and the issuance of the Bonds; *and*

WHEREAS, there has been presented to the City Council an Escrow Agreement No. A-7477 (the "Escrow Agreement") providing for the creation of a refunding fund which will be used to defease and refund the Prior Bonds, and the City Council now desires to approve such agreement in connection with the refunding of the Prior Bonds; *and*

WHEREAS, there has been presented to the City Council a Bond Purchase Agreement No. A-7476 (the "Bond Purchase Agreement") to be executed by the City, for and on behalf of the District, and Western Alliance Business Trust, a Delaware statutory trust (the "Purchaser"), and the City Council now desires to approve such agreement in connection with the sale of the Bonds; *and*

WHEREAS, it appears that each of said documents which are now before the City Council at this meeting is in appropriate form and is an appropriate document to be executed and delivered for the purpose intended; *and*

WHEREAS, all conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of the Bonds as contemplated by this Resolution and the documents referred to herein exist, have happened and have been performed in due time, form and manner as required by the laws of the State of California, including the Act and the Refunding Law.

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

SECTION 1. Issuance of Bonds; Approval of Fiscal Agent Agreement and Escrow Agreement. Pursuant to the Refunding Law, the Act, this Resolution and the Fiscal Agent Agreement, special tax refunding bonds of the City for the District designated as "City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2021 Special Tax Refunding Bonds" in an aggregate principal amount not to exceed $11,000,000 are hereby authorized to be issued. The Bonds shall be executed in the form set forth in and otherwise as provided in the Fiscal Agent Agreement.

In furtherance of the issuance of the Bonds, the City Council hereby makes the following findings and determinations: (i) it is prudent in the management of the fiscal

affairs of the City and the District to issue the Bonds for the purpose of refunding the Prior Bonds, (ii) the total net interest cost to maturity on the Bonds plus the principal amount of the Bonds will not exceed the total net interest cost to maturity on the Prior Bonds to be refunded plus the principal amount of the Prior Bonds to be refunded, and (iii) the Bonds satisfy the requirements of Section 53345.8(a) of the Act in that the assessed value of the land in the District subject to the levy of special taxes for the District is more than three times the maximum principal amount of the Bonds. The City Council hereby further finds and determines that the Bonds are in compliance with the Local Goals and Policies for Community Facilities Districts – Commercial and Industrial Property, as adopted by the City Council on June 9, 1999 and the City's Debt Management Policy, as adopted by the City Council on January 4, 2017.

The City Council hereby approves the Fiscal Agent Agreement in the form on file with the City Clerk. The Mayor, the City Manager and the Finance Manager/Treasurer (each, a "Designated Officer"), each acting alone, are hereby authorized to execute the Fiscal Agent Agreement, for and in the name and on behalf of the City and the District, in such form, together with any additions thereto or changes therein deemed necessary or advisable by the Designated Officer executing the Fiscal Agent Agreement upon consultation with the City Attorney and Bond Counsel. The proceeds of the Bonds shall be applied by the City for the purposes and in the amounts as set forth in the Fiscal Agent Agreement. The City Council hereby authorizes the delivery and performance by the City of the Fiscal Agent Agreement. For purposes of Section 53363.2 of the Act, (i) it is expected that the purchase of the Bonds will occur on or after June 2, 2021, (ii) the date, denomination, maturity dates, places of payment and form of the Bonds shall be as set forth in the Fiscal Agent Agreement, (iii) the minimum rate of interest to be paid on the Bonds shall be one-quarter percent (0.25%) with the actual rate or rates to be set forth in the Fiscal Agent Agreement as executed, (iv) the place of payment for the Prior Bonds shall be as set forth in the Prior Fiscal Agent Agreement; and (v) the designated costs of issuing the Bonds shall be as described in Section 53363.8(a) of the Act, and as otherwise described in the Fiscal Agent Agreement and the closing certificates for the Bonds, including Bond Counsel fees and expenses, municipal advisor fees and expenses, initial Fiscal Agent fees, escrow bank fees, placement agent fees, verification agent fees and costs of the City Attorney and City staff incurred in connection with the sale and issuance of the Bonds and the refunding of the Prior Bonds.

The City Council hereby approves the refunding of the Prior Bonds with the proceeds of the Bonds, in accordance with the provisions of the Prior Fiscal Agent Agreement and the Escrow Agreement between the City and the Prior Fiscal Agent, as Escrow Bank. The City Council hereby approves the Escrow Agreement in the form on file with the City Clerk. The City Council hereby authorizes the Designated Officers, each acting alone, to execute and deliver the Escrow Agreement, for and in the name and on behalf of the City and the District, in such form, together with any changes therein or additions thereto deemed advisable by the Designated Officer executing the Escrow Agreement upon consultation with the City Attorney and Bond Counsel. The City Council hereby authorizes the delivery and performance by the City of the Escrow Agreement.

SECTION 2. Bond Purchase Agreement. The City Council hereby approves the Bond Purchase Agreement in the form on file with the City Clerk. The Designated Officers, each acting alone, are hereby authorized to accept the offer of the Purchaser to purchase the Bonds contained in the Bond Purchase Agreement; provided that (i) the aggregate principal amount of the Bonds sold thereby is not in excess of $11,000,000, (ii) the true interest cost of the Bonds is not in excess of 4.0%, and (iii) the requirements of clause (iii) of the second paragraph of Section 1 above are satisfied. The Designated Officers, each acting alone, are hereby authorized to execute and deliver the Bond Purchase Agreement in said form (if the requirements of the preceding sentence are satisfied), with such additions thereto or changes therein as are recommended or approved by the Designated Officer executing such document upon consultation with the City Attorney and Bond Counsel. The City Council hereby authorizes the delivery and performance by the City of the Bond Purchase Agreement.

The City Council hereby finds and determines that (i) the issuance of the Bonds should proceed for the public policy reason that, as a result of such issuance, the annual special taxes that may be levied on property in the District to pay the debt service on the Bonds will be lower than the annual special taxes currently being levied on property in the District to pay the debt service on the Prior Bonds, and (ii) the sale of the Bonds by negotiated sale to the Purchaser will result in a lower overall cost.

SECTION 3. Delivery of the Bonds. The Bonds, when executed, shall be delivered to the Fiscal Agent for authentication. The Fiscal Agent is hereby requested and directed to authenticate the Bonds by executing the Fiscal Agent's certificate of authentication and registration appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the Purchaser in accordance with written instructions executed on behalf of the City by the City Manager or the Finance Manager/Treasurer, which instructions such officers, each acting alone, are hereby authorized, for and in the name and on behalf of the City, to execute and deliver to the Fiscal Agent. Such instructions shall provide for the delivery of the Bonds to the Purchaser in accordance with the Bond Purchase Agreement, upon payment of the purchase price therefor.

SECTION 4. Fiscal Agent for Bonds. U.S. Bank National Association, is hereby designated to act as (a) the Fiscal Agent and to perform the actions and duties required of the Fiscal Agent under the Fiscal Agent Agreement, including those for the authentication, transfer, registration, and payment of the Bonds; and (b) as Escrow Bank under the Escrow Agreement and to perform the actions and duties required of the Escrow Bank under the Escrow Agreement. The Designated Officers, each acting alone, are hereby authorized to enter into an agreement with the Fiscal Agent for its services as the Fiscal Agent under the Fiscal Agent Agreement and for its services as the Escrow Bank under the Escrow Agreement.

SECTION 5. Foreclosure Covenant. The City hereby covenants, for the benefit of the Bondowners, to commence and diligently pursue to completion any foreclosure action regarding delinquent installments of any amount levied as a special tax for the payment

of interest or principal of the Bonds, said foreclosure action to be commenced and pursued as more completely set forth in the Fiscal Agent Agreement.

SECTION 6. Official Actions. All actions heretofore taken by the officers and agents of the City with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the proper officers of the City are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and the refunding of the Prior Bonds in accordance with this Resolution, and any certificate, agreement, and other document described in the documents herein approved.

SECTION 7. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and ADOPTED this 1st day of June, 2021.

Approved as to form:

Steven D. Hofbauer, Mayor

ATTEST:

Christopher Beck,
City Attorney

Shanae Smith, City Clerk

I, Shanae Smith, City Clerk of Palmdale, California, do hereby certify that the foregoing Resolution No. CC 2021-054 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 1st day of June, 2021 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT: _____

Date: _____ _____
Shanae Smith, City Clerk

16007.37:J17493

$_____
CITY OF PALMDALE
COMMUNITY FACILITIES DISTRICT NO. 05-1
(TRADE AND COMMERCE CENTER AREA)
2021 SPECIAL TAX REFUNDING BONDS

BOND PURCHASE AGREEMENT
(A-7476)

June __, 2021

City of Palmdale, California
38250 Sierra Highway, Suite D
Palmdale, California 93550
Attention: Finance Manager/City Treasurer

Western Alliance Business Trust, a Delaware statutory trust (including its successors and Assigns) (the "**Purchaser**"), offers to enter into this Bond Purchase Agreement A-7476 (the "**Bond Purchase Agreement**") with the City of Palmdale, California (the "**City**"), which will be binding upon the City and the Purchaser upon the acceptance hereof by the City. This offer is made subject to its acceptance by the City by execution of this Bond Purchase Agreement and its delivery to the Purchaser on or before 5:00 P.M., California time, on the date hereof. Capitalized terms used but not defined herein have the meanings provided for such terms in the Fiscal Agent Agreement (A-7478), dated as of June 1, 2021 (the "**Fiscal Agent Agreement**") between the City, for and on behalf of the City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) (the "**Community Facilities District**"), and U.S. Bank National Association, as fiscal agent (the "**Fiscal Agent**").

1. Purchase, Sale and Delivery of the Bonds.

A. Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Purchaser hereby agrees to purchase from the City and the City hereby agrees to sell to the Purchaser all of the $_____ aggregate principal amount of the City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2021 Special Tax Refunding Bonds (the "**Bonds**"), dated the Closing Date (as hereinafter defined), bearing interest at the rate and maturing on the date and in the principal amount set forth in Exhibit A hereto. The purchase price for the Bonds shall be $_____.

The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from the Special Tax Revenues and certain other amounts as provided in the Fiscal Agent Agreement and the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "**Community Facilities District Act**"). The issuance of the Bonds has been duly authorized by the City pursuant to Resolution No. CC 2021-054 (the "**Resolution**"), adopted by its City Council (the "**City Council**"), on June 1, 2021.

The proceeds of the Bonds shall be used to (i) refund the outstanding City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2005 Special Tax Refunding Bonds, Series A and the outstanding City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2007 Special Tax Refunding Bonds, Series A

(collectively, the "**Prior Bonds**"), (ii) make a deposit to a Reserve Fund for the Bonds, and (iii) pay the costs of issuing the Bonds and defeasing the Prior Bonds. In connection with the refunding of the Prior Bonds, the City and U.S. Bank National Association, as escrow bank (the "**Escrow Bank**") will enter into an Escrow Agreement A-7477, dated as of June 1, 2021 (the "**Escrow Agreement**").

B. The City represents, warrants and covenants that: (i) the transaction contemplated herein is an arm's length commercial transaction between the City and the Purchaser and its affiliates, (ii) in connection with such transaction, the Purchaser and its affiliates are acting solely as a principal and not as an advisor including, without limitation, a "Municipal Advisor" as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the "Municipal Advisor Rules"), agent or a fiduciary of the City, (iii) the Purchaser and its affiliates are relying on the bank exemption in the Municipal Advisor Rules, (iv) the Purchaser and its affiliates have not provided any advice or assumed any advisory or fiduciary responsibility in favor of the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (whether or not the Purchaser, or any affiliate of the Purchaser, has provided other services or advised, or is currently providing other services or advising the City on other matters), (v) the Purchaser and its affiliates have financial and other interests that differ from those of the City, and (vi) the City has consulted with its own financial, legal, accounting, tax and other advisors, as applicable, to the extent it deemed appropriate.

C. The City hereby acknowledges receipt from D.A. Davidson & Co., as placement agent (the "**Placement Agent**"), of disclosures required by the Municipal Securities Rulemaking Board ("**MSRB**") Rule G-17 (as set forth in MSRB Notice 2012-25 (May 7, 2012), relating to disclosures concerning the Placement Agent's role in the transaction, disclosures concerning the Placement Agent's compensation, conflict disclosures, if any, and disclosures concerning complex municipal securities financing, if any.

D. If the purchase of the Bonds does not close on or before June __, 2021, the interest rate specified in Exhibit A shall no longer be effective and the Purchaser and the City shall agree on a new rate of interest for the Bonds.

E. Except as the Purchaser and the City may otherwise agree, the City will deliver to the Purchaser, at the offices of Bond Counsel in Larkspur, California, or at such other location as may be mutually agreed upon by the Purchaser and the City, the documents hereinafter mentioned on the Closing Date (defined below); and the City will deliver to the Purchaser the Bonds, in definitive form, duly executed by the City and authenticated by the Fiscal Agent in the manner provided for in the Fiscal Agent Agreement on June 17, 2021 (the "**Closing Date**"), and the Purchaser will accept such delivery and pay the purchase price of the Bonds as set forth in paragraph (A) of this Section by wire transfer, payable in federal or other immediately available funds (such delivery and payment being herein referred to as the "**Closing**"). The Bonds shall be in fully registered form, in the form of a single Bond certificate (which may be typewritten) and shall be registered in the name of the Purchaser, and a specimen Bond will be made available for checking by the Purchaser not less than 2 days prior to the Closing.

2. Private Placement; Bonds Constitute Investment of Purchaser.

A. The Purchaser has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other obligations of a nature similar

to the Bonds to be able to evaluate the risks and merits of the investment represented by the purchase of the Bonds.

B. The Purchaser is acquiring the Bonds for its own account (or that of its consolidated taxpayer group) and not with a current view to, or for sale in connection with, any distribution thereof or any part thereof. The Purchaser has not offered to sell, solicited offers to buy, or agreed to sell the Bonds or any part thereof, and the Purchaser has no current intention of reselling or otherwise disposing of the Bonds *provided, however*, such representation shall not preclude the Purchaser from transferring or selling of the Bonds in accordance with the provisions of the Fiscal Agent Agreement. The Purchaser is not acting in a broker-dealer capacity in connection with its purchase of the Bonds. The Purchaser has required as a condition to the purchase of the Bonds that no application be made to make the Bonds DTC eligible.

C. As a sophisticated investor, the Purchaser has made its own credit inquiry and analysis with respect to the City, the Community Facilities District and the Bonds and has made an independent credit decision based upon such inquiry and analysis and in reliance on the truth, accuracy, and completeness of the representations and warranties of the City set forth in the Fiscal Agent Agreement and in the information set forth in any materials submitted to the Purchaser by the City. The City has furnished to the Purchaser all the information which the Purchaser, as a reasonable investor, has requested of the City as a result of the Purchaser having attached significance thereto in making its investment decision with respect to the Bonds, and the Purchaser has had the opportunity to ask questions of and receive answers from knowledgeable individuals concerning the City, the Community Facilities District and the Bonds. The Purchaser is able and willing to bear the economic risk of the purchase and ownership of the Bonds.

D. The Purchaser understands that the Bonds have not been registered under the United States Securities Act of 1933, as amended, or under any state securities laws. The Purchaser agrees that it will comply with any applicable state and federal securities laws then in effect with respect to any disposition of the Bonds by it, and further acknowledges that any current exemption from registration of the Bonds does not affect or diminish such requirements.

E. The Purchaser has authority to purchase the Bonds and to execute any instruments and documents required to be executed by the Purchaser in connection with the purchase of the Bonds. The undersigned is a duly appointed, qualified, and acting officer of the Purchaser and is authorized to cause the Purchaser to make the representations and warranties contained herein on behalf of the Purchaser.

F. The Purchaser acknowledges that the Bonds are transferable with certain requirements, as described in the Fiscal Agent Agreement. The Purchaser acknowledges that the Bonds are exempt from the requirements of Rule 15c2-12 of the Securities and Exchange Commission and that the City has not undertaken to provide any continuing disclosure with respect to the Bonds but that the City has agreed to provide other ongoing information to the Purchaser as set forth in the Fiscal Agent Agreement.

3. Representations, Warranties and Covenants of the City. The City represents, warrants and covenants to the Purchaser that:

A. The City is a municipal corporation and chartered city organized and validly existing pursuant to the Constitution and laws of the State of California (the "**State**"), and has duly authorized the formation of the Community Facilities District pursuant to resolutions duly adopted by City Council (the "**Community Facilities District Formation Resolutions**" and,

together with the Resolution, the "**Community Facilities District Resolutions**") and the Act. The City Council, as the legislative body of the Community Facilities District, has duly adopted the Community Facilities District Formation Resolutions, has duly adopted Ordinance No. 1260 levying the Special Taxes within the Community Facilities District (the "**Ordinance**"), and has caused to be recorded in the real property records of Los Angeles County, a notice of special tax lien (together with the First Amendment to Notice of Special Tax Lien, the "**Notice of Special Tax Lien**") (the Community Facilities District Formation Resolutions, the Ordinance, and the Notice of Special Tax Lien being collectively referred to herein as the "**Formation Documents**"), and the City Council has duly adopted the Resolution. Each of the Formation Documents remains in full force and effect as of the date hereof and has not been amended. The Community Facilities District is duly organized and validly existing as a community facilities district under the laws of the State. The City has, and at the Closing Date will have, as the case may be, full legal right, power and authority: (i) to execute, deliver and perform its obligations under this Bond Purchase Agreement, the Escrow Agreement and the Fiscal Agent Agreement and to carry out all transactions on its part contemplated by each of such agreements; and (ii) to carry out, give effect to and consummate the transactions contemplated by the Formation Documents, the Fiscal Agent Agreement, this Bond Purchase Agreement and the Escrow Agreement.

This Bond Purchase Agreement, the Fiscal Agent Agreement and the Escrow Agreement are collectively referred to herein as the "**District Documents**."

B. By all necessary official action of the City, the City has duly authorized and approved the execution and delivery by the City of, and the performance by the City of the obligations on its part contained in, the District Documents, and, as of the date hereof, such approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered by the parties thereto, the District Documents will constitute the legally valid and binding obligations of the City, on its own behalf and on behalf of the Community Facilities District, enforceable upon the City and the Community Facilities District in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally. To the City's knowledge, the City has complied, and will at the Closing Date be in compliance in all respects, with the terms of the District Documents.

C. As of the time of acceptance hereof and as of the Closing Date, the City and the Community Facilities District, as applicable, have each complied, and will at the Closing Date be in compliance in all material respects, with the Formation Documents and the District Documents, and any immaterial noncompliance by the City or the Community Facilities District, if any, will not impair the ability of the City or the Community Facilities District, as applicable, to carry out, give effect to or consummate the transactions on their part contemplated by the foregoing. From and after the date of issuance of its Bonds, the City will continue to comply with the covenants of the City contained in the District Documents and it shall cause the Community Facilities District to continue to comply with the covenants of the Community Facilities District contained in the District Documents.

D. Neither the City nor the Community Facilities District is, and as of the Closing Date, neither will be, in any respect material to the transactions referred to herein or contemplated hereby, in breach of or in default under, any law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City or the Community Facilities District, as the case may be, is a party or is otherwise subject or

bound; and, to the City's knowledge, no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have a materially adverse effect on the City's ability to perform its obligations under the District Documents; and as of such times, the authorization, execution and delivery of the District Documents and compliance with the provisions of each thereof, or the performance of the conditions precedent to be performed by the City pursuant to this Bond Purchase Agreement, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City is a party or is otherwise subject or bound, in any manner which would materially and adversely affect the performance by the City of its obligations under the District Documents or the performance of the conditions precedent to be performed by the City pursuant to this Bond Purchase Agreement. The City has received all licenses, permits or other regulatory approvals required, if any, for the pledge, collection and/or application by the Community Facilities District of the Special Taxes (as defined in the Fiscal Agent Agreement) and other moneys pledged to the payment of the principal of and interest on the Bonds under the Fiscal Agent Agreement.

E. All approvals, consents, authorizations, elections and orders of, or filings or registrations with, any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the City of its obligations under the District Documents, and the performance of the conditions precedent to be performed by the City pursuant to this Bond Purchase Agreement, have been or will be obtained at the Closing Date and are or will be in full force and effect at the Closing Date.

F. At the time of acceptance hereof there is and as of the Closing there will be no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "**Action**") pending (notice of which has been served on the City) or to the knowledge of the City threatened, in which any such Action: (i) in any way questions the powers of the City Council or the existence of the Community Facilities District or the titles of the officers of the City to their respective offices; (ii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of the Bonds or the payment or collection of Special Taxes or any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the District Documents or the consummation of the transactions on the part of the City contemplated thereby; (iii) contests the exclusion of interest on the Bonds from federal or State income taxation or contests the powers of the City that result in any material adverse change relating to the financial condition of the City or the Community Facilities District; (iv) wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position or condition of the Community Facilities District or would result in any material adverse change in the ability of the City to pledge or apply the Special Tax Revenues or to pay debt service on the Bonds; and as of the time of acceptance hereof there is and, as of the Closing Date, there will be no known basis for any Action of the nature described in clauses (i) through (iv) of this sentence.

G. The City represents that the Bonds, when issued, executed and delivered in accordance with the Fiscal Agent Agreement and sold to the Purchaser as provided herein, will be validly issued and outstanding obligations of the City, for and on behalf of the Community Facilities District, entitled to the benefits of the Fiscal Agent Agreement. The City will comply with the covenant in the Fiscal Agent Agreement to cause the Special Taxes to be levied and

collected at the same time and in the same manner as ordinary *ad valorem* property taxes. The Fiscal Agent Agreement creates a valid pledge of, first lien upon and security interest in, the Special Tax Revenues and the moneys in the Special Tax Fund established pursuant to the Fiscal Agent Agreement, and otherwise the terms and conditions set forth in the Fiscal Agent Agreement. The Fiscal Agent Agreement creates a valid pledge of the moneys in certain funds and accounts established pursuant to the Fiscal Agent Agreement, subject in all cases to the provisions of the Fiscal Agent Agreement permitting the application thereof for the purposes and on the terms and conditions set forth therein.

H. The City shall not intentionally take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes, or the exemption from State of California personal income tax, of the interest on the Bonds.

I. Any certificate signed by an authorized officer or employee of the City and delivered to the Purchaser in connection with the issuance of the Bonds shall be deemed a representation and covenant of the City to the Purchaser as to the statements made therein.

J. The City will apply the proceeds of the Bonds in accordance with the Fiscal Agent Agreement.

K. The total interest cost to maturity on the Bonds plus the principal amount of the Bonds is less than the total remaining interest cost to maturity on the Prior Bonds plus the outstanding principal amount of the Prior Bonds.

L. Between the date of this Bond Purchase Agreement and the date of Closing, the City will not offer or issue any bonds, notes or other obligations for borrowed money not previously disclosed to the Purchaser and the City shall not create, assume or guarantee any indebtedness payable from, or pledge or otherwise encumber, the Special Taxes or other assets, properties, funds or interests that will be pledged as security for the Bonds pursuant to the District Documents.

M. The execution and delivery of this Bond Purchase Agreement by the City shall constitute a representation by the City to the Purchaser that the representations and warranties contained in this Section 3 with respect to the City and the Community Facilities District are true as of the date hereof.

4. Conditions to the Obligations of the Purchaser.

A. The Purchaser shall have the right to cancel its obligation to purchase the Bonds and to terminate this Bond Purchase Agreement by written notice to the City if, between the date of this Bond Purchase Agreement and the Closing Date, in the Purchaser's sole and reasonable judgment any of the following events shall occur (each a "**Termination Event**"):

1. Between the date hereof and the Closing Date, the market price or marketability of the Bonds shall have been materially adversely affected, in the reasonable judgment of the Purchaser (evidenced by a written notice to the City terminating the obligation of the Purchaser to accept delivery of and pay for the Bonds), by reason of any of the following:

a. Legislation introduced in or enacted (or resolution passed) by the Congress of the United States of America or the legislature of the State or

recommended to the Congress by the President of the United States of America or a member of the President's Cabinet, the Department of the Treasury, the Internal Revenue Service or any member of Congress or favorably reported for passage to either House of Congress by any committee of such House to which such legislation had been referred for consideration, or a decision rendered by a court established under Article III of the Constitution of the United States of America or by the Tax Court of the United States of America, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Treasury Department of the United States of America, the Internal Revenue Service or other federal or State authority with appropriate jurisdiction, with the purpose or effect, directly or indirectly, of imposing federal or State income taxation upon such interest as would be received by any owners of the Bonds beyond the extent to which such interest is subject to taxation as of the date hereof;

b. Legislation introduced in or enacted (or resolution passed) by the Congress, or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States of America or a member of the President's Cabinet, or an order, decree, injunction or decision issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds or the Fiscal Agent Agreement, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Fiscal Agent Agreement is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds is or would be in violation of the federal securities laws as amended and then in effect;

c. A general suspension of trading in securities on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction;

d. There shall have occurred, (1) any material outbreak or escalation of hostilities or the declaration by the United States of America of a national emergency or war, or the escalation thereof, (2) any other calamity or crisis in the financial markets of the United States of America or elsewhere, (3) the sovereign debt rating of the United States of America is downgraded by any major credit rating agency or a payment default occurs on United States Treasury obligations, or (4) a default with respect to the debt obligations of, or the institution of proceedings under any federal bankruptcy laws by or against, any state of the United States of America; or

e. Any material adverse change in the affairs of the City or the Community Facilities District shall have occurred.

2. The introduction, proposal or enactment of any amendment to the federal or California Constitution or any action by any federal or State court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the City or the Community Facilities District, their property, income, securities (or interest thereon), or the validity or enforceability of Special Taxes.

3. A general banking moratorium shall have been declared by federal, State of New York or State of California officials authorized to do so or a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred.

4. The commencement of an Action described in Section 3(F).

Upon the occurrence of a Termination Event and the termination of this Bond Purchase Agreement by the Purchaser, all obligations of the City, the Community Facilities District, and the Purchaser under this Bond Purchase Agreement shall terminate, without further liability, except that the City and the Purchaser shall pay their respective expenses as set forth in Section 5 below.

B. At or prior to the Closing Date, the Purchaser shall have received a counterpart original or certified copy of the following documents, in each case satisfactory in form and substance to the Purchaser:

1. Fiscal Agent Agreement. The Fiscal Agent Agreement, duly executed and delivered by the City and the Fiscal Agent;

2. Resolutions. Certifications by the City Clerk with respect to each resolution and ordinance of the City Council, for the City or as the legislative body of the Community Facilities District, relating to the District Documents, the transactions contemplated thereby, formation of the Community Facilities District and issuance of the Bonds;

3. Bond Counsel Opinion. An approving opinion for the Bonds, dated the Closing Date and addressed to the City, of Bond Counsel in a form acceptable to the Purchaser;

4. Supplemental Opinion. A supplemental opinion of Bond Counsel addressed to the Purchaser, in substantially the form attached hereto as Exhibit B, which shall include a statement (or in a separate reliance letter to the Purchaser) that the opinion referenced in Section 4(B)(3) may be relied upon by the Purchaser to the same extent as if such opinion was addressed to the Purchaser;

5. Opinion of the City Attorney. An opinion, dated the Closing Date and addressed to the Purchaser, of the City Attorney, in substantially the form attached hereto as Exhibit C;

6. Defeasance Opinion. An opinion of Bond Counsel, addressed to the Purchaser, dated the date of Closing, as to the effective defeasance of the Prior Bonds in form and substance acceptable to the Purchaser;

7. Escrow Agreement. The Escrow Agreement, duly executed and delivered by the City and the Escrow Bank;

8. Closing Certificate of the City. A certificate, dated the Closing Date, and signed by an authorized officer of the City substantially in the form of Exhibit D hereto, together with such additional certifications as Bond Counsel may require;

9. Fiscal Agent Incumbency Certificate. Certified copies of the general resolution of the Fiscal Agent authorizing the execution and delivery of certain documents by certain officers of the Fiscal Agent which resolution authorizes the execution of the Fiscal Agent Agreement and the authentication of the Bonds;

10. Fiscal Agent 's Certificate. A certificate of the Fiscal Agent, dated the Closing Date, in form and substance acceptable to the Purchaser and Bond Counsel;

11. Fiscal Agent 's Counsel Opinion. An opinion or opinions of counsel to the Fiscal Agent dated the Closing Date and addressed to the City and the Purchaser to the effect that the Fiscal Agent has duly authorized the execution and delivery of the Fiscal Agent Agreement and it is a valid and binding obligation of the Fiscal Agent enforceable in accordance with its terms;

12. Escrow Bank's Certificate. A certificate or certificates of the Escrow Bank, dated the Closing Date, in form and substance acceptable to the Purchaser and Bond Counsel;

13. Nonarbitrage Certificate. A certificate of the City, dated the Closing Date, in a form acceptable to Bond Counsel and the Purchaser, to the effect that the Bonds are not arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended;

14. Specimen Bond. A copy of a Specimen Bond;

15. Form 8038-G. An Information Return for Tax-Exempt Bond Issues (Internal Revenue Service Form 8038-G), in a form satisfactory to Bond Counsel for filing, executed by a duly authorized officer of the City;

16. CDIAC Statements. Copies of filings with the California Debt and Investment Advisory Commission relating to the issuance of the Bonds; and

17. Additional Documents. Such additional legal opinions, certificates, instruments and other documents as the Purchaser may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the material representations and warranties of the City contained herein and the due performance or satisfaction by the City at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by the City and the Community Facilities District in connection with the transactions contemplated hereby and by the Fiscal Agent Agreement.

If the City shall be unable to satisfy the conditions to the obligations of the Purchaser to purchase, accept delivery of and pay for the Bonds contained in this Bond Purchase Agreement, or if the obligations of the Purchaser to purchase, accept delivery of and pay for the Bonds shall

be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the City nor the Purchaser shall be under any further obligation hereunder, except that the respective obligations of the Purchaser and the City set forth in Section 5 hereof shall continue in full force and effect.

5. Expenses. Whether or not the Purchaser accepts delivery of and pays for the Bonds as set forth herein, it shall be under no obligation to pay, and the City shall pay out of the proceeds of the Bonds or any other legally available funds of the Community Facilities District, all expenses incidental to the performance of the City's obligations hereunder, including but not limited to the cost of delivering the Bonds to the Purchaser; the fees and disbursements of the City, the Community Facilities District, the Fiscal Agent, Escrow Agent, Municipal Advisor, Bond Counsel, Verification Agent, Purchaser's Counsel, Placement Agent and any other experts or consultants retained by the City or the Community Facilities District in connection with the issuance and sale of the Bonds; and CDIAC fees and expenses.

6. Notices. Any notice or other communication to be given to the City pursuant to this Bond Purchase Agreement may be given by delivering the same in writing to such entity at the addresses set forth on the cover page hereof. Any notice or other communication to be given to the Purchaser under this Bond Purchase Agreement may be given by delivering the same in writing to Western Alliance Bank, One East Washington Street, Suite 1400, Phoenix, AZ 85004, Attention: Mr. Joshua J. Lentz, Senior Vice President. All such notices, requests or other communications may be made by telephone, personal or courier delivery, registered or certified mail, facsimile transmission or electronic communication, provided that delivery by facsimile transmission or electronic communication must be confirmed by the sender. The City and the Purchaser may, by notice given as aforesaid, specify a different address for any such notices, requests or other communications.

7. Parties In Interest. This Bond Purchase Agreement is made solely for the benefit of the City and the Purchaser and no other person shall acquire or have any right hereunder or by virtue hereof. The City and the Purchaser may not assign this Bond Purchase Agreement.

8. Waiver of Jury Trial.

(a) TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH OF THE CITY AND THE PURCHASER IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS BOND PURCHASE AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THE CITY FURTHER AGREES THAT, IN THE EVENT OF LITIGATION, IT WILL NOT PERSONALLY OR THROUGH ITS AGENTS OR ATTORNEYS SEEK TO REPUDIATE THE VALIDITY OF THIS SECTION 8, AND IT ACKNOWLEDGES THAT IT FREELY AND VOLUNTARILY ENTERED INTO THIS AGREEMENT TO WAIVE TRIAL BY JURY IN ORDER TO INDUCE THE PURCHASER TO ENTER INTO THIS PURCHASE CONTRACT.

(b) To the extent the foregoing waiver of a jury trial is unenforceable under applicable California law, the parties agree to refer, for a complete and final adjudication, any and all issues of fact or law involved in any litigation or proceeding (including all discovery and law and motion matters, pretrial motions, trial matter and post-trial motions up to and including final judgment), brought to resolve any dispute (whether based on contract, tort or otherwise) between the parties hereto arising out of, in connection with or otherwise related or incidental to this Bond Purchase Agreement to a judicial referee who shall be appointed under a general reference pursuant to California Code of Civil Procedure Section 638, which referee's decision will stand as

the decision of the court. Such judgment will be entered on the referee's statement of judgment in the same manner as if the action had been tried by the court. The parties shall select a single neutral referee, who shall be a retired state or federal judge with at least five years of judicial experience in civil matters; provided that the event the parties cannot agree upon a referee, the referee will be appointed by the court. The referee's fees shall be borne by the party who does not prevail, as determined by the referee.

9. Severability. If any provision of this Bond Purchase Agreement is, or is held or deemed to be, invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, because it conflicts with any provisions of any constitution, statute, rule of public policy or for any other reason, such circumstances shall not make the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or make any other provision or provisions of this Bond Purchase Agreement invalid, inoperative or unenforceable to any extent whatsoever.

10. Execution in Counterparts. This Bond Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

11. No Prior Agreements. This Bond Purchase Agreement supersedes and replaces all prior negotiations, agreements and understanding between the parties hereto in relation to the sale of the Bonds by the City.

12. Governing Law. This Bond Purchase Agreement shall be governed by the laws of the State applicable to contracts made and performed in the State.

Very truly yours,

WESTERN ALLIANCE BUSINESS TRUST, a Delaware statutory trust, as Purchaser

By: _____
Joshua J. Lentz
Senior Vice President

The foregoing is hereby agreed to and accepted as of the date first above written:

CITY OF PALMDALE

By: _____
J. J. Murphy,
City Manager

16007.43:J17497

EXHIBIT A

MATURITY SCHEDULE

Maturity Date (September 1)	Principal Amount	Interest Rate
2037	$	%

REDEMPTION PROVISIONS

Optional Redemption. The Bonds are subject to optional redemption prior to their stated maturity on any Interest Payment Date occurring on or after September 1, 2026, as a whole or in part by lot, at a redemption price (expressed as a percentage of the principal amount of the Bonds to be redeemed) as set forth below, together with accrued interest to the date fixed for redemption:

Redemption Date	Redemption Price
September 1, 2026 and March 1, 2027	103%
September 1, 2027 and March 1, 2028	102
September 1, 2028 and March 1, 2029	101
September 1, 2029 and any Interest Payment Date thereafter	100

Mandatory Sinking Payment Redemption. The Bonds are subject to mandatory sinking payment redemption in part on September 1, 2021, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, from sinking payments as follows:

Redemption Date (September 1)	Sinking Payments
2021	$
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037 (maturity)	

The amounts in the foregoing table shall be reduced to the extent practicable so as to maintain the same debt service profile for the Bonds as in effect on the Closing Date for the Bonds, as a result of any prior partial redemption of the Bonds pursuant to the Optional Redemption provisions described above or the Redemption From Special Tax Prepayments provisions described below, as specified in writing by the Treasurer to the Fiscal Agent. The Treasurer shall provide the Fiscal Agent with a revised sinking payment schedule which takes into account any such redemption.

Redemption From Special Tax Prepayments. Special Tax Prepayments and any corresponding transfers from the Reserve Fund pursuant to Section 4.05(B)(ii) and Section 4.04(F), respectively, of the Fiscal Agent Agreement shall be used to redeem Bonds on the next Interest Payment Date for which notice of redemption can timely be given under the Fiscal Agent Agreement, in whole or in part by lot, at a redemption price (expressed as a percentage of the principal amount of the Bonds to be redeemed) as set forth below, together with accrued interest to the date fixed for redemption:

Redemption Dates	Redemption Prices
March 1, 2022 through March 1, 2027	103%
September 1, 2027 and March 1, 2028	102
September 1, 2028 and March 1, 2029	101
September 1, 2029 and any Interest Payment Date thereafter	100

EXHIBIT B

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

June __, 2021

Western Alliance Business Trust
One East Washington Street, Suite 1400
Phoenix, Arizona 85004

SUPPLEMENTAL OPINION: $_____ City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2021 Special Tax Refunding Bonds

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the City of Palmdale, California (the "City") on behalf of the City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) (the "District") of its $_____ principal amount of City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2021 Special Tax Refunding Bonds (the "Bonds"), pursuant to (a) Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, (b) the Mello-Roos Community Facilities Act of 1982, as amended (Section 53311 *et seq.*, of the California Government Code), (c) a Fiscal Agent Agreement A-7478, dated as of June 1, 2021 (the "Fiscal Agent Agreement"), by and between the City, for and on behalf of the District, and U.S. Bank National Association, as fiscal agent (the "Fiscal Agent"), and (d) Resolution No. CC 2021-054 adopted by the City Council of the City on June 1, 2021. Capitalized terms used in this opinion and not otherwise defined herein have the meanings given them in the Bond Purchase Agreement referred to below.

In that connection, we have examined the Fiscal Agent Agreement, the Bond Purchase Agreement A-7476, dated June __, 2021 (the "Bond Purchase Agreement"), between the City and Western Alliance Business Trust, a Delaware statutory trust (the "Purchaser'), and the Escrow Agreement A-7477, dated as of June 1, 2021 (the "Escrow Agreement"), by and between the City, for and on behalf of the District, and U.S. Bank National Association, as escrow bank, the law and such other certified proceedings and other papers as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon representations of the City contained in the Fiscal Agent Agreement and in the certified proceedings and other certifications of representatives of the City furnished to us, without undertaking to verify such facts by independent investigation.

Based upon our examination, we are of the opinion, under existing law, as follows:

The Escrow Agreement and the Bond Purchase Agreement have been duly authorized, executed and delivered by the City, and, assuming such agreements constitute valid and binding obligations of the respective other parties thereto, constitute legally valid and binding agreements of the City enforceable against the City in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, moratorium, insolvency or other laws affecting creditor's rights or remedies and by general principles of equity (regardless of whether such enforceability is considered in equity or at law).

The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Fiscal Agent Agreement is exempt from qualification under the Trust Indenture Act of 1939, as amended.

Respectfully submitted,

EXHIBIT C

FORM OF CITY ATTORNEY OPINION

June __, 2021

Western Alliance Business Trust
One East Washington Street, Suite 1400
Phoenix, Arizona 85004

Re: City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2021 Special Tax Refunding Bonds

Ladies and Gentlemen:

I am the City Attorney for the City of Palmdale (the "City") and have acted as such in connection with the issuance by the City for and on behalf of the City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) (the "District") of the City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2021 Special Tax Refunding Bonds, in the aggregate principal amount of $_____ and dated the date hereof (the "Bonds"). Capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in that certain Bond Purchase Agreement A-7476, dated June __, 2021, (the "Bond Purchase Agreement") by and between the City and Western Alliance Business Trust, a Delaware statutory trust (the "Purchaser").

In connection, with this opinion, I have reviewed and examined the Fiscal Agent Agreement, the Bond Purchase Agreement, the Escrow Agreement (the foregoing agreements are collectively referred to herein as the "District Documents"), and certain proceedings and documents with respect to the Bonds, the Formation Documents and such records, certificates and other documents as I have considered necessary or appropriate for the purposes of this opinion. Based on such review and such other considerations of law and fact as I believe to be relevant, I am of the opinion that:

(a) to the best of my knowledge, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body is pending or threatened with respect to which the City has been served with process, or threatened with respect to which we have received notice, and which would materially adversely affect the ability of the City to perform its obligations under the Bonds, the Formation Documents or the District Documents, or seeking to restrain or to enjoin the development of property within the District, the issuance, sale, delivery of the Bonds, or the exclusion from gross income for federal income tax purposes or State of California personal income taxes of interest on the Bonds, or the application of the proceeds thereof in accordance with the Fiscal Agent Agreement, or the collection or application of the Special Tax to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the Formation Documents or the District Documents, or any action of the City contemplated by any of said documents;

(b) the City is duly organized and validly existing as municipal corporation and chartered city under the laws of the State of California and the District is duly organized and

validly existing as a community facilities district under the laws of the State of California, and the City has full legal right, power and authority to issue the Bonds and to perform all of its obligations under the Formation Documents and the District Documents;

(c) the City Council of the City has duly and validly adopted the Community Facilities District Resolutions at meetings of the City Council which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the Community Facilities District Resolutions are now in full force and effect and have not been amended; and

(d) the City has duly authorized, executed and delivered the District Documents, and the District Documents constitute legal, valid and binding agreements of the City, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights in general and to the application of equitable principles if equitable remedies are sought and to the limitations on legal remedies against public agencies in the State of California.

Very truly yours,

By: _____
Christopher Beck,
City Attorney,
City of Palmdale

EXHIBIT D

**CITY OF PALMDALE
COMMUNITY FACILITIES DISTRICT NO. 05-1
(TRADE AND COMMERCE CENTER AREA)
2021 SPECIAL TAX REFUNDING BONDS**

CLOSING CERTIFICATE OF THE CITY

I, the undersigned, hereby certify that I am the City Manager of the City of Palmdale (the "City"), the City Council of which is the legislative body for the City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) (the "Community Facilities District"), a community facilities district duly organized and existing under the laws of the State of California (the "State") and I am authorized to execute this Certificate on behalf of the City in connection with the issuance of the above-captioned bonds (the "Bonds"). All capitalized terms used and not otherwise defined herein shall have the meanings given such terms in the Bond Purchase Agreement A-7476, dated June __, 2021 (the "Bond Purchase Agreement"), by and between the City and Western Alliance Business Trust, a Delaware statutory trust.

I further certify on behalf of the City that:

(i) The representations, warranties and covenants of the City contained in the Bond Purchase Agreement are true and correct in all material respects on and as of the date hereof as if made on the date hereof;

(ii) The Community Facilities District Resolutions, Formation Documents and the District Documents are in full force and effect and have not been amended, modified or supplemented;

(iii) There is no action, suit, proceeding, inquiry or investigation at law or in equity, or by any court or regulatory agency, public board or body pending, with respect to which the City or the Community Facilities District has been served with process, or to the knowledge of the City, threatened wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence or powers of the City or the Community Facilities District, or the titles of their officers to their respective offices, (b) enjoin or restrain the issuance, sale and delivery of the Bonds, the levy or collection of the Special Taxes or any other moneys or property pledged or to be pledged under the Fiscal Agent Agreement, or the pledge thereof, (c) in any way question or affect any of the rights, powers, duties or obligations of the City or the Community Facilities District with respect to the Special Taxes or moneys and assets pledged or to be pledged to pay the principal of, premium, if any, or interest on the Bonds, (d) in any way question or affect any authority for the issuance of the Bonds, or the validity or enforceability of the Bonds or the proceedings relating to the issuance of the Bonds, or (e) in any way question or affect the Bond Purchase Agreement or the transactions contemplated thereby or the District Documents; and

(iv) The City has complied with all agreements and covenants, and satisfied all conditions, on its part to be complied with or satisfied under the Bond Purchase Agreement and under the Community Facilities District Resolutions, the Formation Documents, and the District Documents at or prior to the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date set forth below.

Dated: June __, 2021

CITY OF PALMDALE

By: _____
J. J. Murphy,
City Manager

ESCROW AGREEMENT
(A-7477)

by and between the

CITY OF PALMDALE, CALIFORNIA

and

U.S. BANK NATIONAL ASSOCIATION,
as Escrow Bank

dated as of June 1, 2021

relating to:
City of Palmdale
Community Facilities District No. 05-1
(Trade and Commerce Center Area)
2005 Special Tax Refunding Bonds, Series A*

and

City of Palmdale
Community Facilities District No. 05-1
(Trade and Commerce Center Area)
2007 Special Tax Refunding Bonds, Series A

* Includes originally issued City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2005 Special Tax Refunding Bonds, Subordinate Series B converted to such Series A Bonds on October 11, 2011.

TABLE OF CONTENTS

Section 1. Establishment of Refunding Fund 2
Section 2. Deposit into Refunding Fund; Investment of Amounts 2
Section 3. Instructions as to Application of Refunding Fund 3
Section 4. Application of Proceeds from Prior Bond Funds 4
Section 5. Application of Certain Terms of Prior Fiscal Agent Agreement 4
Section 6. Proceedings for Redemption of Prior Bonds 4
Section 7. Compensation to Escrow Bank 5
Section 8. Liabilities and Obligations of Escrow Bank 5
Section 9. Resignation of Escrow Bank 6
Section 10. Amendment 6
Section 11. Unclaimed Moneys 7
Section 12. Execution in Counterparts 7
Section 13. Applicable Law 7

EXHIBIT A: SCHEDULES OF PAYMENTS ON PRIOR BONDS
EXHIBIT B: FORM OF NOTICE OF REDEMPTION OF 2005 BONDS
EXHIBIT C: FORM OF NOTICE OF REDEMPTION OF 2007 BONDS
EXHIBIT D: NOTICE OF DEFEASANCE OF 2005 BONDS
EXHIBIT E: NOTICE OF DEFEASANCE OF 2007 BONDS
EXHIBIT F: SCHEDULES OF FEDERAL SECURITIES

ESCROW AGREEMENT

This ESCROW AGREEMENT (A-7477) (this "Agreement"), dated as of June 1, 2021, is by and between the CITY OF PALMDALE, CALIFORNIA, a municipal corporation and chartered city organized and existing under the laws of the State of California (the "City"), for and on behalf of CITY OF PALMDALE COMMUNITY FACILITIES DISTRICT NO. 05-1 (TRADE AND COMMERCE CENTER AREA) (the "District"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, acting as Fiscal Agent for the Prior Bonds hereinafter referred to and acting as escrow agent hereunder (the "Escrow Bank").

R E C I T A L S :

WHEREAS, the City Council of the City has conducted proceedings under and pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, to form the District, to authorize the levy of special taxes upon the land within the District, and to issue bonds secured by said special taxes to finance certain facilities; and

WHEREAS, pursuant to a Fiscal Agent Agreement, dated as of July 1, 2005 (the "2005 Fiscal Agent Agreement"), between the City and U.S. Bank National Association, as fiscal agent (the "Prior Bonds Fiscal Agent"), the City has issued, for and on behalf of the District, its City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2005 Special Tax Refunding Bonds, Series A (the "Original 2005-A Bonds") and has issued its City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2005 Special Tax Refunding Bonds, Subordinate Series B (the "2005-B Bonds") ; and

WHEREAS, pursuant to a Supplement No. 1 to Fiscal Agent Agreement (A-2032), dated as of August 1, 2007 ("Supplemental Agreement No. 1"), between the City and the Prior Bonds Fiscal Agent, the City has issued, for and on behalf of the District, its City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2007 Special Tax Refunding Bonds, Series A (the "2007 Bonds); and

WHEREAS, pursuant to the 2005 Fiscal Agent Agreement, as amended and supplemented by Supplemental Agreement No. 1 and by a Supplemental Agreement No. 2 to Fiscal Agent Agreement, dated as of July 6, 2011 (together, the "Prior Fiscal Agent Agreement"), between the City and the Prior Bonds Fiscal Agent, on October 11, 2011, the City converted the 2005-B Bonds into Series 2005-A Bonds (as defined in the Prior Fiscal Agent Agreement), which converted 2005-B Bonds and the Original 2005-A Bonds are collectively referred to herein as the "2005 Bonds," and which 2005 Bonds and the 2007 Bonds are collectively referred to herein as the "Prior Bonds"; and

WHEREAS, the City has determined to issue, for and on behalf of the District, pursuant to a Fiscal Agent Agreement (A-7478), dated as of June 1, 2021 (the "2021 Agreement"), between the City and U.S. Bank National Association, as fiscal agent, special tax refunding bonds in the aggregate principal amount of $_____ (the "Refunding Bonds") at this time for the purposes of providing funds to currently refund and defease the Prior Bonds; and

WHEREAS, the City and the Escrow Bank wish to enter into this Agreement for the purpose of providing the terms and conditions relating to the deposit and application of moneys to provide for the payment and redemption of the Prior Bonds in full, pursuant to and

in accordance with the provisions of, as applicable, Section 2.03(A)(i) and 10.04(A)(i) of the Prior Fiscal Agent Agreement.

A G R E E M E N T :

NOW, THEREFORE, in consideration of the above premises and of the mutual promises and covenants herein contained and for other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

Section 1. Establishment of Refunding Fund. There is hereby created an escrow fund (the "Refunding Fund") to be held by the Escrow Bank as an irrevocable escrow securing the payment of the Prior Bonds, as hereinafter set forth. Within the Refunding Fund there are hereby created a 2005 Account (the "2005 Account") and a 2007 Account (the "2007 Account"). The Escrow Bank shall administer the Refunding Fund (including the accounts therein) as provided in this Agreement.

All cash and securities in the 2005 Account of the Refunding Fund are hereby irrevocably pledged as a special fund for the payment of the scheduled debt service due on the 2005 Bonds on September 1, 2021, and the redemption price of the 2005 Bonds on September 1, 2021, in accordance with the provisions of this Agreement and the Prior Fiscal Agent Agreement. All cash and securities in the 2007 Account of the Refunding Fund are hereby irrevocably pledged as a special fund for the payment of the scheduled debt service due on the 2007 Bonds on September 1, 2021, and the redemption price of the 2007 Bonds on September 1, 2021, in accordance with the provisions of this Agreement and the Prior Fiscal Agent Agreement. The Escrow Bank shall have no lien upon or right of set off against the funds at any time on deposit in the 2005 Account or the 2007 Account of the Refunding Fund.

If at any time the Escrow Bank shall receive actual knowledge that the cash and investments in any of the 2005 Account or the 2007 Account of the Refunding Fund will not be sufficient to make any payment from any of such accounts required by Section 3 hereof, the Escrow Bank shall notify the City of such fact and the City shall immediately cure such deficiency from any source of funds legally available to the District. The Escrow Bank shall have no obligation whatsoever to use its own funds to cure any such deficiency.

Section 2. Deposit into Refunding Fund; Investment of Amounts. (a) (i) Concurrent with delivery of the Refunding Bonds, the City shall cause to be transferred to the Escrow Bank for deposit into the 2005 Account of the Refunding Fund the amount of $_____ in immediately available funds, which shall be derived from (A) proceeds of sale of the Refunding Bonds in the amount of $_____, (B) moneys on deposit in the reserve fund established under the Prior Fiscal Agent Agreement in the amount of $_____, (C) moneys on deposit in the special tax fund established under the Prior Fiscal Agent Agreement in the amount of $_____, and (D) moneys held by the fiscal agent for the Prior Bonds in the amount of $_____. The Escrow Bank, in its capacity as Prior Bonds Fiscal Agent for the Prior Bonds, is hereby directed by the City to make a transfer of funds from the Reserve Fund under the Prior Fiscal Agent Agreement to the 2005 Account of the Refunding Fund as described in clause (B) of the preceding sentence.

(ii) Concurrent with delivery of the Refunding Bonds, the City shall cause to be transferred to the Escrow Bank for deposit into the 2007 Account of the Refunding Fund the amount of $_____ in immediately available funds, which shall be derived from (A) proceeds of sale of the Refunding Bonds in the amount of $_____, (B) moneys on deposit in the reserve fund established under the Prior Fiscal Agent Agreement in the amount of

$_____, (C) moneys on deposit in the special tax fund established under the Prior Fiscal Agent Agreement in the amount of $_____, and (D) moneys held by the fiscal agent for the Prior Bonds in the amount of $_____.

(b) (i) The Escrow Bank shall invest $_____ of the moneys deposited into the 2005 Account of the Refunding Fund pursuant to Section 2(a)(i) in the Federal Securities (as defined in the Prior Fiscal Agent Agreement) described in the applicable schedule in Exhibit F attached hereto (the "2005 Escrowed Federal Securities"), and shall hold the remaining $_____ in cash, uninvested. The 2005 Escrowed Federal Securities shall be deposited with and held by the Escrow Bank in the 2005 Account of the Refunding Fund solely for the uses and purposes set forth herein. This Agreement does not provide or allow for any future substitution of any securities for the 2005 Escrow Federal Securities.

(ii) The Escrow Bank shall invest $_____ of the moneys deposited into the 2007 Account of the Refunding Fund pursuant to Section 2(a)(ii) in the Federal Securities (as defined in the Prior Fiscal Agent Agreement) described in the applicable schedule in Exhibit F attached hereto (the "2007 Escrowed Federal Securities"), and shall hold the remaining $_____ in cash, uninvested. The 2007 Escrowed Federal Securities shall be deposited with and held by the Escrow Bank in the 2007 Account of the Refunding Fund solely for the uses and purposes set forth herein. This Agreement does not provide or allow for any future substitution of any securities for the 2007 Escrow Federal Securities.

(c) (i) The Escrow Bank may rely upon the conclusion of Robert Thomas, CPA, LLC (the "Verification Agent"), as contained in its opinion and accompanying schedules (the "Report") dated June __, 2021, that the 2005 Escrowed Federal Securities mature and bear interest payable in such amounts and at such times as, together with cash on deposit in the 2005 Account of the Refunding Fund, will be sufficient to provide for the payment of the scheduled debt service due on the 2005 Bonds on September 1, 2021, and the redemption of the outstanding 2005 Bonds on September 1, 2021 (the "Series 2005 Redemption Date") at a redemption price equal to the principal amount of the 2005 Bonds to be redeemed, together with accrued interest to the Series 2005 Redemption Date, without premium (the "Series 2005 Redemption Price"), as set forth in the applicable schedule in Exhibit A hereto.

(ii) The Escrow Bank may rely upon the conclusion of the Verification Agent contained in the Report that the 2007 Escrowed Federal Securities mature and bear interest payable in such amounts and at such times as, together with cash on deposit in the 2007 Account of the Refunding Fund, will be sufficient to provide for the payment of the scheduled debt service due on the 2007 Bonds on September 1, 2021, and the redemption of the outstanding 2007 Bonds on September 1, 2021 (the "Series 2007 Redemption Date") at a redemption price equal to the principal amount of the 2007 Bonds to be redeemed, together with accrued interest to September 1, 2021, without premium (the "Series 2007 Redemption Price"), as set forth in the applicable schedule in Exhibit A hereto.

(d) The Escrow Bank shall not be liable or responsible for any loss resulting from its full compliance with the provisions of this Escrow Agreement.

Section 3. Instructions as to Application of Refunding Fund. (a) The cash and 2005 Escrowed Federal Securities held in the 2005 Account of the Refunding Fund hereunder shall be applied by the Escrow Bank for the sole purpose of paying the interest on, principal of, and the Series 2005 Redemption Price of the 2005 Bonds in accordance with Section 2.03(A)(i) of the Prior Fiscal Agent Agreement and the applicable schedule set forth in Exhibit A hereto. Following payment in full of the Series 2005 Redemption Price of the 2005 Bonds, any amounts

on deposit in the 2005 Account of the Refunding Fund shall be transferred by the Escrow Bank on September 2, 2021 to the City, for deposit by the City in the Special Tax Fund established pursuant to the 2021 Agreement.

The Escrow Bank, in its capacity as Prior Bonds Fiscal Agent under the Prior Fiscal Agent Agreement, is hereby directed to apply the amounts in the 2005 Account of the Refunding Fund to the payment and redemption of the 2005 Bonds pursuant to the preceding paragraph. The Escrow Bank is hereby directed, in its capacity as Fiscal Agent under the Prior Fiscal Agent Agreement, to provide notice of redemption of the 2005 Bonds (at the expense of the District) in substantially the form set forth in Exhibit B hereto, as required under Section 2.03(D) of the Prior Fiscal Agent Agreement to effect such redemption.

(b) The cash and 2007 Escrowed Federal Securities held in the 2007 Account of the Refunding Fund hereunder shall be applied by the Escrow Bank for the sole purpose of paying the interest on, principal of, and the Series 2007 Redemption Price of the 2007 Bonds in accordance with Section 10.04(A)(i) of the Prior Fiscal Agent Agreement and the applicable schedule set forth in Exhibit A hereto. Following payment in full of the Series 2007 Redemption Price of the 2007 Bonds, any amounts on deposit in the 2007 Account of the Refunding Fund shall be transferred by the Escrow Bank on September 2, 2021 to the City, for deposit by the City in the Special Tax Fund established pursuant to the 2021 Agreement.

The Escrow Bank, in its capacity as Prior Bonds Fiscal Agent under the Prior Fiscal Agent Agreement, is hereby directed to apply the amounts in the 2007 Account of the Refunding Fund to the payment and redemption of the 2007 Bonds pursuant to the preceding paragraph. The Escrow Bank is hereby directed, in its capacity as Fiscal Agent under the Prior Fiscal Agent Agreement, to provide notice of redemption (at the expense of the District) in substantially the form set forth in Exhibit C hereto, as required under Section 2.03(D) of the Prior Fiscal Agent Agreement to effect such redemption.

(c) The Escrow Bank, in its capacity as Fiscal Agent, is hereby requested by the City, and the Escrow Bank, in its capacity as Fiscal Agent, hereby agrees to promptly give notice of: (a) the defeasance of the 2005 Bonds in the form of the defeasance notice attached hereto as Exhibit D, and (b) the defeasance of the 2007 Bonds in the form of the defeasance notice attached hereto as Exhibit E.

Section 4. Application of Proceeds from Prior Bond Funds. Upon receipt by the Escrow Bank from the Prior Bonds Fiscal Agent of the amounts described in Section 2(a) above, such amounts received shall be deposited by the Escrow Bank in the 2005 Account and the 2007 Account, as applicable, of the Refunding Fund.

After making the foregoing deposits, any other amounts remaining on deposit in or accruing to any funds and accounts established under the Prior Fiscal Agent Agreement shall be disposed of as provided in Section 4.02 of the 2021 Agreement.

Section 5. Application of Certain Terms of Prior Fiscal Agent Agreement. All of the terms of the Prior Fiscal Agent Agreement relating to the making of payments of the principal of and interest on the Prior Bonds are incorporated in this Agreement as if set forth in full herein.

Section 6. Proceedings for Redemption of Prior Bonds. The City hereby irrevocably elects to redeem all of the outstanding Prior Bonds in full on September 1, 2021 pursuant to the provisions of Section 2.03(A)(i) and 10.04(A)(i), as applicable, of the Prior Fiscal Agent

Agreement. It is hereby acknowledged that notices of such redemption is to be given by the Escrow Bank as described in Section 3 above, at the expense of the District.

Section 7. Compensation to Escrow Bank. The City shall pay the Escrow Bank, promptly upon written request, full compensation for its duties under this Agreement, including out-of-pocket costs such as publication costs, redemption expenses, reasonable legal fees (including fees of outside counsel and the allocated costs of internal attorneys) and other costs and expenses relating hereto, from available funds of the District. Under no circumstances shall amounts deposited in or credited to the Refunding Fund or either account therein be deemed to be available for said purposes. The obligation of the City under this Section 7 to pay compensation already earned by the Escrow Bank and to pay costs and expenses already incurred shall survive termination of this Agreement and shall survive the resignation or removal of the Escrow Bank.

Section 8. Liabilities and Obligations of Escrow Bank. The Escrow Bank shall have no obligation to make any payment or disbursement of any type or incur any financial liability in the performance of its duties under this Agreement unless the City shall have deposited sufficient funds therefor with the Escrow Bank. The Escrow Bank may rely and shall be fully protected in acting upon the written instructions of the City or its agents relating to any matter or action as Escrow Bank under this Agreement.

The City covenants to indemnify, defend and hold harmless the Escrow Bank and its officers, employees, directors and agents, solely from funds of the District, against any loss, liability or reasonable expense, including reasonable legal fees (including the fees of outside counsel and internal attorneys), incurred in connection with the performance of any of the duties of Escrow Bank hereunder, except the Escrow Bank shall not be indemnified against any loss, liability or expense resulting from its negligence or willful misconduct. The indemnity provided in this Section 8 shall survive the termination of this Agreement and shall survive the resignation or removal of the Escrow Bank.

The Escrow Bank shall have such duties as are expressly set forth herein and no implied duties shall be read into this Agreement against the Escrow Bank. The Escrow Bank shall not be liable for any act or omission of the City under this Agreement, the Prior Bonds Fiscal Agent Agreement or the 2021 Agreement (collectively, the "Bond Agreements").

The Escrow Bank shall not be liable for the accuracy of any calculations provided as to the sufficiency of moneys deposited with it to pay the principal of and interest on the Prior Bonds.

Any bank, federal savings association, national association or trust company into which the Escrow Bank may be merged or with which it may be consolidated shall become the Escrow Bank without any action of the City.

The Escrow Bank shall have no liability or obligation to the owners of the Prior Bonds or the Refunding Bonds with respect to the payment of debt service by the City or with respect to the observance or performance by the City of the other conditions, covenants and terms contained in the Bond Agreements, or with respect to the investment of any moneys in any fund or account established, held or maintained by the City pursuant to the Bond Agreements.

The Escrow Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on any certificate or opinion furnished to it in accordance with this Agreement, the Prior Fiscal Agent Agreement or the 2021 Agreement. The Escrow

Bank may consult with counsel who may be counsel to the City, whose opinion shall be full and complete authorization and protection to the Escrow Bank if it acts in accordance with such opinion.

The Escrow Bank shall not be liable for any error of judgment made in good faith by an authorized officer.

Nothing herein should be interpreted to require the Escrow Bank to expend, advance or risk its own funds or otherwise incur financial liability in the performance of any of its duties or the exercise of any of its rights hereunder, if it believes that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured.

Any corporation or association succeeding to all or substantially all of the corporate trust business of the Escrow Bank shall be the successor of the Escrow Bank hereunder, without the execution or filing of any paper or any further act on the part of the any of the parties hereto.

The Escrow Bank shall not have any liability hereunder except to the extent of its own negligence or willful misconduct. In no event shall the Escrow Bank be liable for any special indirect or consequential damages.

The Escrow Bank shall not be responsible for any of the recitals or representations contained herein.

The Escrow Bank may execute any of the duties or powers under this Agreement or perform any duties under this Agreement either directly or by or through agents, attorneys, custodians or nominees, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed with due care.

The Escrow Bank may consult with counsel who may be counsel to the City, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Section 9. Resignation of Escrow Bank. The Escrow Bank may at any time resign by giving written notice to the City, which notice shall indicate the date on which the resignation is to be effective (the "resignation date"). The City shall promptly appoint a successor Escrow Bank by the resignation date. Resignation of the Escrow Bank will be effective only upon acceptance of appointment by a successor Escrow Bank. If the City does not appoint a successor Escrow Bank by the resignation date, the Escrow Bank may, at the expense of the City, petition any court of competent jurisdiction for the appointment of a successor Escrow Bank, which court may thereupon, after such notice, if any, as it may deem proper and prescribe and as may be required by law, appoint a successor Escrow Bank.

Section 10. Amendment. This Agreement may be amended or modified by the parties hereto, but only if there shall have been filed with the City and the Escrow Bank (a) a written opinion of Bond Counsel (as defined in the Prior Fiscal Agent Agreement) stating that such amendment will not materially adversely affect the interests of the owners of the Prior Bonds, and that such amendment will not cause interest on any of the Prior Bonds or the Refunding Bonds to become includable in the gross income of the owners thereof for federal income tax purposes, and (b) a certification of Bond Counsel or an independent certified public accountant

that the funds on deposit in the accounts within the Refunding Fund will be in amounts at all times at least sufficient to make the payments specified in Section 3 hereof.

Section 11. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any moneys held by the Escrow Bank in trust for the payment and discharge of the principal of, and the interest on, the Prior Bonds which remains unclaimed for two (2) years after the date when the payment of such principal and interest have become payable, if such moneys were held by the Escrow Bank at such date, shall be repaid by the Escrow Bank to the City as its absolute property free from any trust, and the Escrow Bank shall thereupon be released and discharged with respect thereto and the owners of such Prior Bonds shall look only to the City for the payment of the principal of, and interest on, such Prior Bonds. Any right of any Prior Bondowner to look to the City for such payment shall survive only so long as required under applicable law.

Section 12. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 13. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and performed in California.

IN WITNESS WHEREOF, the City and the Escrow Bank have each caused this Agreement to be executed by their duly authorized officers all as of the date first above written.

CITY OF PALMDALE, CALIFORNIA, for and on behalf of the CITY OF PALMDALE COMMUNITY FACILITIES DISTRICT NO. 05-1 (TRADE AND COMMERCE CENTER AREA)

By: _____
J. J. Murphy,
City Manager

U.S. BANK NATIONAL ASSOCIATION, as Escrow Bank

By: _____
Ashraf Almurdaah,
Vice President

16007.43:J17489

EXHIBIT A

SCHEDULE OF PAYMENTS ON THE 2005 BONDS

Payment Date	Interest	Principal(1)	Called Principal	Total Due
September 1, 2021	$166,450.00	$220,000.00	$5,020,000.00	$5,406,450.00

SCHEDULE OF PAYMENTS ON THE 2007 BONDS

Payment Date	Interest	Principal(1)	Called Principal	Total Due
September 1, 2021	$157,565.63	$180,000.00	$4,965.000.00	$5,302,565.63

(1) Represents sinking fund payments.

EXHIBIT B

FORM OF NOTICE OF REDEMPTION

NOTICE OF FULL/FINAL REDEMPTION OF

City of Palmdale
Community Facilities District No. 05-1
(Trade and Commerce Center Area)
2005 Special Tax Refunding Bonds, Series A

Maturity Date	Amount Called	Redemption Price(1)	Interest Rate	CUSIP Number(2)
September 1, 2035	$4,160,000	100%	6.25%	696738 CL5
September 1, 2035	$1,080,000	100%	6.75%	696738 CP6

NOTICE is hereby given that the City of Palmdale, California (the "City") has called for redemption on September 1, 2021 (the "Redemption Date") all of its outstanding City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2005 Special Tax Refunding Bonds, Series A which are listed above (the "Bonds"), at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption (the "Redemption Price").

On the Redemption Date, the Redemption Price will become due and payable upon each Bond and interest with respect thereto shall cease to accrue from and after the Redemption Date.

Interest on the Bonds shall cease to accrue on and after the Redemption Date.

Payment of principal will be made upon presentation of the Bonds on and after September 1, 2021, at the following address:

If by Mail, Hand or Overnight Mail:
U. S. Bank National Association
Global Corporate Trust Services
111 Fillmore Avenue East
St. Paul, MN 55107

Please call Bondholder Services at (800) 934-6802 with any questions.

Registered owners presenting their Bonds in person for same day payment must surrender their Bond(s) by 1:00 P.M. on September 1, 2021 and a check will be available for pick up after 2:00 P.M. Checks not picked up by 4:30 P.M. will be mailed to the registered owner via first class mail. If payment of the Redemption Price is to be made to the registered owner of the Bonds, you are not required to endorse the Bond to collect the Redemption Price.

REQUIRED INFORMATION

For the list of redemption requirements please visit our website at www.usbank.com/corporatetrust and click on the "Bondholder Information" link.

IMPORTANT NOTICE

Under the provisions of the Jobs and Growth Tax Relief Reconciliation Act of 2003, federal backup withholding tax will be withheld at the applicable backup withholding rate in effect at the

time the payment is made if the tax identification number is not properly certified. The Form W-9 may be obtained from the Internal Revenue Service.

Dated: _____, 2021

U.S. BANK NATIONAL
ASSOCIATION, as Fiscal Agent

(1) Accrued interest to be added.

(2) Neither the City nor U.S. Bank National Association, as fiscal agent, shall be held responsible for the selection or use of CUSIP numbers, nor is any representation made as to their correctness as shown in this Notice of Full/Final Redemption. They are included solely for convenience of the owners of the Bonds.

EXHIBIT C

FORM OF NOTICE OF REDEMPTION

NOTICE OF FULL/FINAL REDEMPTION OF

City of Palmdale
Community Facilities District No. 05-1
(Trade and Commerce Center Area)
2007 Special Tax Refunding Bonds, Series A

Maturity Date	Amount Called	Redemption Price(1)	Interest Rate	CUSIP Number(2)
September 1, 2037	$5,145,000	100%	6.125%	696738 CN1

NOTICE is hereby given that the City of Palmdale, California (the "City") has called for redemption on September 1, 2021 (the "Redemption Date") all of its outstanding City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2007 Special Tax Refunding Bonds, Series A listed above (the "Bonds"), at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption (the "Redemption Price").

On the Redemption Date, the Redemption Price will become due and payable upon each Bond and interest with respect thereto shall cease to accrue from and after the Redemption Date.

Interest on the Bonds shall cease to accrue on and after the Redemption Date.

Payment of principal will be made upon presentation of the Bonds on and after September 1, 2021, at the following address:

If by Mail, Hand or Overnight Mail:
U. S. Bank National Association
Global Corporate Trust Services
111 Fillmore Avenue East
St. Paul, MN 55107

Please call Bondholder Services at (800) 934-6802 with any questions.

Registered owners presenting their Bonds in person for same day payment must surrender their Bond(s) by 1:00 P.M. on September 1, 2021 and a check will be available for pick up after 2:00 P.M. Checks not picked up by 4:30 P.M. will be mailed to the registered owner via first class mail. If payment of the Redemption Price is to be made to the registered owner of the Bonds, you are not required to endorse the Bond to collect the Redemption Price.

REQUIRED INFORMATION

For the list of redemption requirements please visit our website at www.usbank.com/corporatetrust and click on the "Bondholder Information" link.

IMPORTANT NOTICE

Under the provisions of the Jobs and Growth Tax Relief Reconciliation Act of 2003, federal backup withholding tax will be withheld at the applicable backup withholding rate in effect at the time the payment is made if the tax identification number is not properly certified. The Form W-9 may be obtained from the Internal Revenue Service.

Dated: _____, 2021

U.S. BANK NATIONAL
ASSOCIATION, as Fiscal Agent

(1) Accrued interest to be added.

EXHIBIT D

NOTICE OF DEFEASANCE

City of Palmdale
Community Facilities District No. 05-1
(Trade and Commerce Center Area)
2005 Special Tax Refunding Bonds, Series A

Maturity Date	Amount Defeased	CUSIP Number
September 1, 2035	$4,160,000	696738 CL5
September 1, 2035	$1,080,000	696738 CP6

NOTICE IS HEREBY GIVEN, on behalf of the City of Palmdale, California (the "City") to the owners of the outstanding City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2005 Special Tax Refunding Bonds, Series A and City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2005 Special Tax Refunding Bonds, Subordinate Series B (collectively, the "Bonds"), that pursuant to the Fiscal Agent Agreement pursuant to which the Bonds were issued (the "Fiscal Agent Agreement") the lien of the Fiscal Agent Agreement with respect to the Bonds has been discharged through the irrevocable deposit of cash and federal securities in an escrow fund (the "Refunding Fund"). The Refunding Fund has been established and is being maintained pursuant to that certain Escrow Agreement, dated as of June 1, 2021, by and between the City, for and on behalf of City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) (the "District"), and U.S. Bank National Association, as escrow bank. As a result of such deposit, the Bonds are deemed to have been paid and defeased in accordance with the Fiscal Agent Agreement. The pledge of the funds provided for under the Fiscal Agent Agreement and all other obligations of the City and the District to the owners of the Bonds shall hereafter be limited to the application of moneys in the Refunding Fund for the payment of the redemption price of the Bonds as described below.

The cash and federal securities held in the Refunding Fund are calculated to provide sufficient moneys to pay the scheduled debt service on the Bonds on September 1, 2021, and to redeem the Bonds in full on September 1, 2021 at a redemption price equal to 100% of the principal thereof plus accrued interest to such date.

DATED this _____ day of _____, 2021

U.S. BANK NATIONAL ASSOCIATION,
as Escrow Bank

EXHIBIT E

NOTICE OF DEFEASANCE

City of Palmdale
Community Facilities District No. 05-1
(Trade and Commerce Center Area)
2007 Special Tax Refunding Bonds, Series A

Maturity Date	Amount Defeased	CUSIP Number
September 1, 2037	$5,145,000	696738 CN1

NOTICE IS HEREBY GIVEN, on behalf of the City of Palmdale, California (the "City") to the owners of the outstanding City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2007 Special Tax Refunding Bonds, Series A (the "Bonds"), that pursuant to the Fiscal Agent Agreement pursuant to which the Bonds were issued (the "Fiscal Agent Agreement") the lien of the Fiscal Agent Agreement with respect to the Bonds has been discharged through the irrevocable deposit of cash and federal securities in an escrow fund (the "Refunding Fund"). The Refunding Fund has been established and is being maintained pursuant to that certain Escrow Agreement, dated as of June 1, 2021, by and between the City, for and on behalf of City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) (the "District"), and U.S. Bank National Association, as escrow bank. As a result of such deposit, the Bonds are deemed to have been paid and defeased in accordance with the Fiscal Agent Agreement. The pledge of the funds provided for under the Fiscal Agent Agreement and all other obligations of the City and the District to the owners of the Bonds shall hereafter be limited to the application of moneys in the Refunding Fund for the payment of the redemption price of the Bonds as described below.

The cash and federal securities held in the Refunding Fund are calculated to provide sufficient moneys to pay the scheduled debt service on the Bonds on September 1, 2021, and to redeem the Bonds in full on September 1, 2021 at a redemption price equal to 100% of the principal thereof plus accrued interest to such date.

DATED this _____ day of _____, 2021

U.S. BANK NATIONAL ASSOCIATION,
as Escrow Bank

EXHIBIT F

SCHEDULE OF ESCROWED FEDERAL SECURITIES

FOR THE 2005 ACCOUNT

Type	Maturity	Coupon	Principal	Price
U.S. Treasury Notes	9/1/2021			

FOR THE 2007 ACCOUNT

Type	Maturity	Coupon	Principal	Price
U.S. Treasury Notes	9/1/2021			

FISCAL AGENT AGREEMENT
(A-7478)

by and between the

CITY OF PALMDALE, CALIFORNIA

and

U.S. BANK NATIONAL ASSOCIATION,
as Fiscal Agent

dated as of June 1, 2021

relating to:
$_____
City of Palmdale
Community Facilities District No. 05-1
(Trade and Commerce Center Area)
2021 Special Tax Refunding Bonds

TABLE OF CONTENTS

ARTICLE I

STATUTORY AUTHORITY AND DEFINITIONS

Section 1.01. Authority for this Agreement 3
Section 1.02. Agreement for Benefit of Owners of the Bonds 3
Section 1.03. Definitions 3

ARTICLE II

THE 2021 BONDS

Section 2.01. Principal Amount; Designation 11
Section 2.02. Terms of the 2021 Bonds 11
Section 2.03. Redemption 12
Section 2.04. Form of Bonds 15
Section 2.05. Execution of Bonds 15
Section 2.06. Transfer of Bonds 15
Section 2.07. Exchange of 2021 Bonds 16
Section 2.08. Bond Register 16
Section 2.09. Temporary Bonds 17
Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen 17
Section 2.11. Limited Obligation 17
Section 2.12. No Acceleration 17

ARTICLE III

ISSUANCE OF 2021 BONDS

Section 3.01. Issuance and Delivery of 2021 Bonds 18
Section 3.02. Pledge of Special Tax Revenues 18
Section 3.03. Validity of Bonds 18

ARTICLE IV

FUNDS AND ACCOUNTS

Section 4.01. Deposits of 2021 Bond Proceeds 19
Section 4.02. Deposit of Other Funds 19
Section 4.03. Costs of Issuance Fund 19
Section 4.04. Reserve Fund 20
Section 4.05. Bond Fund 21
Section 4.06. Special Tax Fund 22
Section 4.07. Administrative Expense Fund 24

ARTICLE V

OTHER COVENANTS OF THE CITY

Section 5.01. Punctual Payment 25
Section 5.02. Limited Obligation 25
Section 5.03. Extension of Time for Payment 25
Section 5.04. Against Encumbrances 25
Section 5.05. Books and Records 25
Section 5.06. Protection of Security and Rights of Owners 25
Section 5.07. Compliance with Law 25
Section 5.08. Collection of Special Tax Revenues 26
Section 5.09. Covenant to Foreclose 27
Section 5.10. Further Assurances 27
Section 5.11. Private Activity Bond Limitations 27
Section 5.12. Federal Guarantee Prohibition 27
Section 5.13. Rebate Requirement 27
Section 5.14. No Arbitrage 28
Section 5.15. Yield of the 2021 Bonds 28
Section 5.16. Maintenance of Tax-Exemption 28
Section 5.17. Reporting to Purchaser 28
Section 5.18. No Additional Bonds 30

Section 5.19. Reduction of Special Taxes 30
Section 5.20. Limits on Special Tax Waivers and Bond Tenders 30
Section 5.21. City Bid at Foreclosure Sale 30

ARTICLE VI

INVESTMENTS, DISPOSITION OF INVESTMENT PROCEEDS, LIABILITY OF THE CITY

Section 6.01. Deposit and Investment of Moneys in Funds 31
Section 6.02. Limited Obligation 32
Section 6.03. Liability of City 32
Section 6.04. Employment of Agents by City 33

ARTICLE VII

THE FISCAL AGENT

Section 7.01. Appointment of Fiscal Agent 34
Section 7.02. Liability of Fiscal Agent 35
Section 7.03. Information 36
Section 7.04. Notice to Fiscal Agent 36
Section 7.05. Compensation, Indemnification 36

ARTICLE VIII

MODIFICATION OR AMENDMENT OF THIS AGREEMENT

Section 8.01. Amendments Permitted 38
Section 8.02. Disqualified Bonds 38
Section 8.03. Effect of Supplemental Agreement 39
Section 8.04. Endorsement or Replacement of Bonds Issued After Amendments 39
Section 8.05. Amendatory Endorsement of Bonds 39

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits of Agreement Limited to Parties 40
Section 9.02. Successor is Deemed Included in All References to Predecessor 40
Section 9.03. Discharge of Agreement 40
Section 9.04. Execution of Documents and Proof of Ownership by Owners 41
Section 9.05. Waiver of Personal Liability 41
Section 9.06. Notices to and Demands on City and Fiscal Agent 41
Section 9.07. State Reporting Requirements 42
Section 9.08. Partial Invalidity 43
Section 9.09. Unclaimed Moneys 43
Section 9.10. Applicable Law 44
Section 9.11. Conflict with Act 44
Section 9.12. Conclusive Evidence of Regularity 44
Section 9.13. Payment on Business Day 44
Section 9.14. Counterparts 44

EXHIBIT A – FORM OF 2021 BOND

FISCAL AGENT AGREEMENT
(A-7478)

City of Palmdale
Community Facilities District No. 05-1
(Trade and Commerce Center Area)
2021 Special Tax Refunding Bonds

THIS FISCAL AGENT AGREEMENT (A-7478) (the "Agreement"), dated as of June 1, 2021, is by and between the City of Palmdale, California, a municipal corporation and chartered city organized and existing under the laws of the State of California (the "City"), for and on behalf of City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) (the "District"), and U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States of America, as fiscal agent (the "Fiscal Agent").

RECITALS:

WHEREAS, the City Council of the City has formed the District under the provisions of the Mello-Roos Community Facilities Act of 1982, as amended (Section 53311, *et seq.* of the California Government Code) (the "Act") and Resolution No. CC 05-109 of the City Council adopted on May 9, 2005 (the "Resolution of Formation");

WHEREAS, the City Council, as the legislative body with respect to the District, is authorized under the Act to levy special taxes to pay the principal and interest on bonds of the City issued for the District and to authorize the issuance of bonds secured by said special taxes under the Act;

WHEREAS, under the provisions of the Act and a Fiscal Agent Agreement, dated as of July 1, 2005 (the "2005 Fiscal Agent Agreement"), between the City, for and on behalf of the District, and U.S. Bank National Association, as fiscal agent (the "Prior Fiscal Agent"), the City issued, for and on behalf of the District, $5,765,000 principal amount of its City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2005 Special Tax Refunding Bonds, Series A (the "Original 2005-A Bonds") and $1,460,000 principal amount of its City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2005 Special Tax Refunding Bonds, Subordinate Series B (the "2005-B Bonds");

WHEREAS, under the provisions of the Act and the 2005 Fiscal Agent Agreement, as amended and supplemented by a Supplemental Agreement No. 1 to Fiscal Agent Agreement (A-2032), dated as of August 1, 2007, between the City, for and on behalf of the District, and the Prior Fiscal Agent ("Supplemental Agreement No. 1"), the City issued, for and on behalf of the District, $6,460,000 principal amount of its City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2007 Special Tax Refunding Bonds, Series A (the "2007 Bonds");

WHEREAS, pursuant to the 2005 Fiscal Agent Agreement, as amended and supplemented by Supplemental Agreement No. 1 and by a Supplemental Agreement No. 2 to Fiscal Agent Agreement, dated as of July 6, 2011 (together, the "Prior Fiscal Agent Agreement"), between the City, for and on behalf of the District, and the Prior Fiscal Agent, on October 11, 2011, the City converted the 2005-B Bonds into Series 2005A Bonds (as defined in the Prior

Fiscal Agent Agreement), which converted 2005-B Bonds and the Original 2005-A Bonds are collectively referred to herein as the "2005 Bonds," and which 2005 Bonds and the 2007 Bonds are collectively referred to herein as the "Prior Bonds"; and

WHEREAS, due to favorable interest rates in the financial markets, the City Council of the City has determined to fully refund the Prior Bonds;

WHEREAS, under the provisions of the Act and Article 11, commencing with Section 53580, of Chapter 3 of Part 1 of Division 2 of the California Government Code (the "Refunding Law"), on June 1, 2021 the City Council of the City adopted its Resolution No. CC 2021-054 (the "Resolution"), which resolution authorized the issuance and sale of City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2021 Special Tax Refunding Bonds (the "2021 Bonds"), to provide moneys to fully refund the Prior Bonds and provided that such issuance would be in accordance with the Act, the Refunding Law and this Agreement, and authorized the execution hereof;

WHEREAS, it is in the public interest and for the benefit of the City, the District and the owners of the Bonds that the City enter into this Agreement to provide for the issuance of the 2021 Bonds, the disbursement of proceeds of the 2021 Bonds, the disposition of the special taxes securing the 2021 Bonds and the administration and payment of the 2021 Bonds; and

WHEREAS, the City has determined that all things necessary to cause the 2021 Bonds, when executed by the City for and on behalf of the District and issued as in the Act, the Refunding Law, the Resolution and this Agreement provided, to be legal, valid and binding and special obligations of the City for and on behalf of the District in accordance with their terms, and all things necessary to cause the creation, authorization, execution and delivery of this Agreement and the creation, authorization, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized.

AGREEMENT:

NOW, THEREFORE, in consideration of the covenants and provisions herein set forth and for other valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

STATUTORY AUTHORITY AND DEFINITIONS

Section 1.01. Authority for this Agreement. This Agreement is entered into pursuant to the provisions of the Act, the Refunding Law and the Resolution.

Section 1.02. Agreement for Benefit of Owners of the Bonds. The provisions, covenants and agreements herein set forth to be performed by or on behalf of the City shall be for the equal benefit, protection and security of the Owners of the Bonds. All of the Bonds, without regard to the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided in or permitted by this Agreement. Any action by any Owner to enforce the provisions of this Agreement shall be for the equal benefit and protection of all Owners of the Bonds.

The Fiscal Agent may become the Owner of any of the Bonds in its own or any other capacity with the same rights it would have if it were not Fiscal Agent.

Section 1.03. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.03 shall, for all purposes of this Agreement, of any Supplemental Agreement, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Agreement, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Sections 53311 et seq. of the California Government Code.

"Administrative Expenses" means costs directly related to the administration of the District consisting of the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the Finance Director or designee thereof or both) and the costs of collecting the Special Taxes (whether by the County or otherwise); the costs of remitting the Special Taxes to the Fiscal Agent; fees and costs of the Fiscal Agent (including its legal counsel) in the discharge of the duties required of it under this Agreement; any fees or expenses of the Escrow Bank under or in connection with the Escrow Agreement; the costs of the City or its designee of complying with the disclosure provisions of the Act and this Agreement, including those related to public inquiries regarding the Special Tax and disclosures to the Bondowners; the costs of the City or its designee related to an appeal of the Special Tax; any amounts required to be rebated to the federal government in order for the City to comply with Section 5.13; and an allocable share of the salaries of the City staff directly related to the foregoing and a proportionate amount of City general administrative overhead related thereto. Administrative Expenses shall also include amounts advanced by the City for any administrative purpose of the District, including costs related to prepayments of Special Taxes, recordings related to such prepayments and satisfaction of Special Taxes, amounts advanced to ensure compliance with Section 5.13, and the costs of commencing foreclosure of delinquent Special Taxes.

"Administrative Expense Fund" means the fund by that name established by Section 4.07(A) hereof.

"Agreement" means this Fiscal Agent Agreement, as it may be amended or supplemented from time to time by any Supplemental Agreement adopted pursuant to the provisions hereof.

"Annual Debt Service" means, for each Bond Year, the Debt Service due on the Outstanding 2021 Bonds in such Bond Year.

"Approved Institutional Buyer" means (a) a "qualified institutional buyer" as defined in Rule 144A promulgated under the United States Securities Act of 1933, as in effect on the date hereof (the "Securities Act"); or (b) an "accredited investor" as defined in Sections 501(a)(1) through (3) of Regulation D promulgated under the Securities Act.

"Auditor" means the auditor/controller of the County.

"Authorized Officer" means the Mayor, City Manager, the City's Finance Manager/Treasurer, the City Clerk or any other officer or employee authorized by the City Council of the City or by an Authorized Officer to undertake the action referenced in this Agreement as required to be undertaken by an Authorized Officer.

"Bond Counsel" means (i) Quint & Thimmig LLP, or (ii) any attorney or other firm of attorneys acceptable to the City and nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

"Bond Fund" means the fund by that name established by Section 4.05(A) hereof.

"Bond Register" means the books for the registration and transfer of 2021 Bonds maintained by the Fiscal Agent under Section 2.08 hereof.

"Bond Year" means the one-year period beginning on September 2nd in each year and ending on September 1st in the following year, except that the first Bond Year shall begin on the Closing Date and end on September 1, 2021.

"Business Day" means any day other than (i) a Saturday or a Sunday, or (ii) a day on which banking institutions in the state in which the Fiscal Agent has its principal corporate trust office are authorized or obligated by law or executive order to be closed.

"CDIAC" means the California Debt and Investment Advisory Commission of the office of the State Treasurer of the State of California or any successor agency or bureau thereto.

"City" means the City of Palmdale, California.

"City Attorney" means any attorney or firm of attorneys employed by the City in the capacity of city attorney.

"Closing Date" means June 17, 2021, being the date upon which there is a physical delivery of the 2021 Bonds in exchange for the amount representing the purchase price of the 2021 Bonds by the Original Purchaser.

"Code" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the 2021 Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the 2021 Bonds, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Costs of Issuance" means items of expense payable or reimbursable directly or indirectly by the City and related to the authorization, sale and issuance of the 2021 Bonds and the refunding and defeasance of the Prior Bonds, which items of expense shall include, but not be limited to, printing costs, costs of reproducing and binding documents, closing costs, filing and recording fees, initial fees and charges of the Fiscal Agent including its first annual administration fee, fees and expenses of Fiscal Agent's counsel, expenses incurred by the City in connection with the issuance of the Bonds and the refunding and defeasance of the Prior Bonds, Escrow Bank fees and expenses, special tax consultant fees and expenses, legal fees and charges, including those of bond counsel and counsel to the Original Purchaser, municipal advisor's fees, placement agent fees, verification agent fees, charges for execution, transportation and safekeeping of the Bonds and other costs, charges and fees in connection with the foregoing.

"Costs of Issuance Fund" means the fund by that name established by Section 4.03(A) hereof.

"County" means the County of Los Angeles, California.

"Debt Service" means the scheduled amount of interest and amortization of principal (including principal payable by reason of Section 2.03(A)(ii)) on the 2021 Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

"District" means City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area), formed by the City under the Act and the Resolution of Formation.

"Escrow Agreement" means the Escrow Agreement No. A-7477, dated as of June 1, 2021, by and between the City and the Escrow Bank, as amended from time to time.

"Escrow Bank" means U.S. Bank National Association, and its successors and assigns, acting as escrow agent under the Escrow Agreement.

"Fair Market Value" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) the investment is the Local Agency Investment Fund of the State of California but only if at all times during which the investment is held its

yield is reasonably expected to be equal to or greater than the yield on a reasonably comparable direct obligation of the United States.

"Federal Securities" means any of the following which are non-callable and which at the time of investment are legal investments under the laws of the State of California for funds held by the Fiscal Agent:

(i) direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the United States Department of the Treasury) and obligations, the payment of principal of and interest on which are directly or indirectly guaranteed by the United States of America, including, without limitation, such of the foregoing which are commonly referred to as "stripped" obligations and coupons; or

(ii) any of the following obligations of the following agencies of the United States of America: (a) direct obligations of the Export-Import Bank, (b) certificates of beneficial ownership issued by the Farmers Home Administration, (c) participation certificates issued by the General Services Administration, (d) mortgage-backed bonds or pass-through obligations issued and guaranteed by the Government National Mortgage Association, (e) project notes issued by the United States Department of Housing and Urban Development, and (f) public housing notes and bonds guaranteed by the United States of America.

"Finance Director" means the Finance Manager/Treasurer of the City or such other officer or employee of the City performing the functions of the chief financial officer of the City.

"Fiscal Agent" means the Fiscal Agent appointed by the City and acting as an independent fiscal agent with the duties and powers herein provided, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 7.01.

"Fiscal Year" means the twelve-month period extending from July 1 in a calendar year to June 30 of the succeeding year, both dates inclusive.

"Independent Financial Consultant" means any consultant or firm of such consultants appointed by the City or the Finance Director, and who, or each of whom: (i) is judged by the person or entity that appointed them to have experience in matters relating to the issuance and/or administration of bonds under the Act; (ii) is in fact independent and not under the domination of the City; (iii) does not have any substantial interest, direct or indirect, with or in the City, or any owner of real property in the District, or any real property in the District; and (iv) is not connected with the City as an officer or employee of the City, but who may be regularly retained to make reports to the City.

"Interest Payment Date" means March 1 and September 1 of each year, commencing September 1, 2021.

"Maximum Annual Debt Service" means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding 2021 Bonds.

"Moody's" means Moody's Investors Service, and any successor thereto.

"Officer's Certificate" means a written certificate of the City signed by an Authorized Officer of the City.

"Ordinance" means any ordinance of the City levying the Special Taxes.

"Original Purchaser" means Western Alliance Business Trust, a Delaware statutory trust, as the first purchaser of the 2021 Bonds from the City.

"Outstanding," when used as of any particular time with reference to 2021 Bonds, means (subject to the provisions of Section 8.04) all 2021 Bonds except: (i) 2021 Bonds theretofore canceled by the Fiscal Agent or surrendered to the Fiscal Agent for cancellation; (ii) 2021 Bonds paid or deemed to have been paid within the meaning of Section 9.03; and (iii) 2021 Bonds in lieu of or in substitution for which other 2021 Bonds shall have been authorized, executed, issued and delivered by the City pursuant to this Agreement or any Supplemental Agreement.

"Owner" or "Bondowner" means any person who shall be the registered owner of any Outstanding 2021 Bond.

"Permitted Investments" means any of the following, but only to the extent that the same are acquired at Fair Market Value:

(a) Federal Securities;

(b) Registered state warrants or treasury notes or bonds of the State of California (the "State"), including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the State or by a department, board, agency, or authority of the State, which are rated in one of the two highest short-term or long-term rating categories by either Moody's or S&P, and which have a maximum term to maturity not to exceed three years.

(c) Unsecured certificates of deposit, time deposits and bankers' acceptance of any bank the short-term obligations of which are rated on the date of purchase "A-1+" or better by S&P and "P-1" by Moody's and or certificates of deposit (including those of the Fiscal Agent, its parent and its affiliates) secured at all times by collateral that may be used by a national bank for purposes of satisfying its obligations to collateralize pursuant to federal law which are issued by commercial banks, savings and loan associations or mutual savings bank whose short-term obligations are rated on the date of purchase A-1 or better by S&P and Moody's.

(d) Commercial paper which at the time of purchase is of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided by either Moody's or S&P, which commercial paper is limited to issuing corporations that are organized and operating within the United States of America and that have total assets in excess of five hundred million dollars ($500,000,000) and that have an "A" or higher rating for the issuer's debentures, other than commercial paper, by either Moody's or S&P, provided that purchases of eligible commercial paper may not exceed 180 days' maturity nor represent more than 10 percent of the outstanding commercial paper of an issuing corporation. Purchases of commercial paper may not exceed 20 percent of the total amount invested pursuant to this definition of Permitted Investments.

(e) A repurchase agreement with a state or nationally charted bank or trust company or a national banking association or government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York, provided that all of the following conditions are satisfied: (1) the agreement is secured by any one or more of the securities described in subdivision (a) of this definition of Permitted Investments, (2) the underlying securities are required by the repurchase agreement to be held by a bank, trust company, or primary dealer having a combined capital and surplus of at least one hundred million dollars ($100,000,000) and which is independent of the issuer of the repurchase agreement, and (3) the underlying securities are maintained at a market value, as determined on a marked-to-market basis calculated at least weekly, of not less than 103 percent of the amount so invested.

(f) An investment agreement or guaranteed investment contract with, or guaranteed by, a financial institution the long-term unsecured obligations of which are rated Aa2 and/or "AA" or better, respectively, by Moody's or S&P at the time of initial investment. The investment agreement shall be subject to a downgrade provision with at least the following requirements: (1) the agreement shall provide that within five business days after the financial institution's long-term unsecured credit rating has been withdrawn, suspended, other than because of general withdrawal or suspension by Moody's or S&P from the practice of rating that debt, or reduced below "AA-" by S&P or below "Aa3" by Moody's (these events are called "rating downgrades") the financial institution shall give notice to the City and, within the five-day period, and for as long as the rating downgrade is in effect, shall deliver in the name of the City or the Fiscal Agent Federal Securities allowed as investments under subdivision (a) of this definition of Permitted Investments with aggregate current market value equal to at least 105 percent of the principal amount of the investment agreement invested with the financial institution at that time, and shall deliver additional allowed federal securities as needed to maintain an aggregate current market value equal to at least 105 percent of the principal amount of the investment agreement within three days after each evaluation date, which shall be at least weekly, and (2) the agreement shall provide that, if the financial institution's long-term unsecured credit rating is reduced below "A3" by Moody's or below "A-" by S&P, the Fiscal Agent or the City may, upon not more than five business days' written notice to the financial institution, withdraw the investment agreement, with accrued but unpaid interest thereon to the date, and terminate the agreement.

(g) The Local Agency Investment Fund of the State of California.

(h) Investments in a money market fund (including any funds of the Fiscal Agent or its affiliates and including any funds for which the Fiscal Agent or its affiliates receives and retains a fee for services provided to the fund, whether as a custodian, transfer agent, investment advisor or otherwise) rated in the highest rating category (without regard to plus (+) or minus (-) designations) by Moody's or S&P.

(i) Any other lawful investment for City funds.

The Fiscal Agent is entitled to rely upon the investment directions of the City as a certification that such investments are "Permitted Investments" hereunder.

"Principal Office" means the principal corporate trust office of the Fiscal Agent set forth in Section 9.06, except for the purpose of maintenance of the registration books and presentation of 2021 Bonds for payment, transfer or exchange, such term shall mean the office at which the

Fiscal Agent conducts its corporate agency business, or such other or additional offices as may be designated by the Fiscal Agent.

"Prior Bonds" means, collectively, the City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2005 Special Tax Refunding Bonds, Series A and the City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2007 Special Tax Refunding Bonds, Series A, each as outstanding as of the Closing Date.

"Project" means the facilities financed with proceeds of the Prior Bonds.

"Rate and Method of Apportionment of Special Taxes" means the rate and method of apportionment of special taxes for the District, as approved pursuant to the Resolution of Formation, and as it may be modified from time to time in accordance with the Act.

"Record Date" means the fifteenth day of the month next preceding the month of the applicable Interest Payment Date, whether or not such day is a Business Day.

"Refunding Fund" means the fund of that name created and maintained under the Escrow Agreement.

"Refunding Law" means Article 11, commencing with Section 53580, of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code.

"Reserve Fund" means the fund by that name established pursuant to Section 4.04(A) hereof.

"Reserve Requirement" means, as of any date of calculation, an amount equal to seventy-five percent of the then Maximum Annual Debt Service. The Reserve Requirement as of the Closing Date is $_____.

"Resolution" means Resolution No. CC 2021-054, adopted by the City Council of the City on June 1, 2021.

"Resolution of Formation" means Resolution No. CC 05-109, adopted by the City Council of the City on May 9, 2005.

"S&P" means S&P Global Ratings, and any successor thereto.

"Special Tax Fund" means the fund by that name established by Section 4.06(A) hereof.

"Special Tax Prepayments" means the proceeds of any Special Tax prepayments received by the City, as calculated pursuant to the Rate and Method of Apportionment of the Special Taxes, less any administrative fees or penalties collected as part of any such prepayment.

"Special Tax Prepayments Account" means the account by that name established within the Bond Fund by Section 4.05(A) hereof.

"Special Tax Revenues" means the proceeds of the Special Taxes received by the City, including any scheduled payments and any prepayments thereof, interest and penalties thereon and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes to the amount of said lien and interest thereon. "Special Tax Revenues" does

not include any penalties collected in connection with delinquent Special Taxes, which amounts may be deposited to the Administrative Expense Fund or otherwise disposed of as determined by the Finance Director consistent with any applicable provisions of the Act.

"Special Taxes" means the special taxes levied by the City within the District pursuant to the Act, the Ordinance, the Rate and Method of Apportionment of Special Taxes and this Agreement.

"Supplemental Agreement" means an agreement the execution of which is authorized by a resolution which has been duly adopted by the City under the Act and which agreement is amendatory of or supplemental to this Agreement, but only if and to the extent that such agreement is specifically authorized hereunder.

"Tax Consultant" means any independent financial or tax consultant retained by the City for the purpose of computing the Special Taxes.

"2021 Bonds" means the bonds so designated and authorized to be issued under Section 2.01 hereof.

ARTICLE II

THE 2021 BONDS

Section 2.01. Principal Amount; Designation. 2021 Bonds in the aggregate principal amount of _____ Million _____ Hundred _____ Thousand Dollars ($_____) are hereby authorized to be issued by the City for and on behalf of the District under and subject to the terms of the Resolution and this Agreement, the Refunding Law, the Act and other applicable laws of the State of California. The 2021 Bonds shall be designated as the "City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2021 Special Tax Refunding Bonds."

Section 2.02. Terms of the 2021 Bonds.

(A) Form; Denominations. The 2021 Bonds shall be issued in fully registered form without coupons in the denomination of $1.00 or any integral multiple in excess thereof.

(B) Date of 2021 Bonds. The 2021 Bonds shall be dated the Closing Date.

(C) [intentionally omitted]

(D) Maturity, Interest Rate. The 2021 Bonds shall mature and become payable on September 1, 2037, and shall bear interest at the rate per annum of _____%.

(E) Interest. The 2021 Bonds shall bear interest at the rate set forth above payable on the Interest Payment Dates in each year. Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months. Each 2021 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless (i) it is authenticated on an Interest Payment Date, in which event it shall bear interest from such date of authentication, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is authenticated prior to the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from the Closing Date; provided, however, that if at the time of authentication of a 2021 Bond, interest is in default thereon, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

(F) Method of Payment. Interest on the 2021 Bonds (including the final interest payment upon maturity or earlier redemption) is payable by check of the Fiscal Agent mailed on the Interest Payment Dates by first class mail to the registered Owners thereof at their respective addresses as they appear in the Bond Register maintained by the Fiscal Agent at the close of business on the Record Date preceding the Interest Payment Date, or by wire transfer to an account within the United States made on such Interest Payment Date upon written instructions of any Owner of $1,000,000 or more in aggregate principal amount of 2021 Bonds, which instructions shall continue in effect until revoked in writing, or until such 2021 Bonds are transferred to a new Owner. The principal of the 2021 Bonds and any premium on the 2021 Bonds are payable by check in lawful money of the United States of America upon surrender of the 2021 Bonds at the Principal Office of the Fiscal Agent. All 2021 Bonds paid by the Fiscal Agent pursuant to this Section shall be canceled by the Fiscal Agent. The Fiscal Agent shall

destroy the canceled 2021 Bonds and issue a certificate of destruction thereof to the City upon the City's request.

Notwithstanding anything herein to the contrary, so long as the 2021 Bonds are owned by the Original Purchaser (according to the Bond Register): (i) the Fiscal Agent shall pay principal of, interest on and redemption price of the 2021 Bonds when due by wire transfer in immediately available funds to the Original Purchaser in accordance with such wire transfer instructions as shall be filed by the Original Purchaser with the Fiscal Agent from time to time, (ii) payments of principal on the Bonds pursuant to the mandatory sinking payment redemption provisions of Section 2.03(A)(ii) shall be made without the requirement for presentation and surrender of the 2021 Bonds by the Original Purchaser, provided that principal of the 2021 Bond which is payable at maturity shall be made only upon presentation and surrender of the 2021 Bond at the Principal Office of the Fiscal Agent as provided in the preceding paragraph, and (iii) the Fiscal Agent shall not be required to give notice to the Original Purchaser of the sinking fund redemptions of the 2021 Bonds under Section 2.03(A)(ii).

Section 2.03. Redemption.

(A) Redemption Dates.

(i) *Optional Redemption*. The 2021 Bonds are subject to optional redemption prior to their stated maturity on any Interest Payment Date occurring on or after September 1, 2026, as a whole or in part by lot, at a redemption price (expressed as a percentage of the principal amount of the 2021 Bonds to be redeemed) as set forth below, together with accrued interest to the date fixed for redemption:

Redemption Date	Redemption Price
September 1, 2026 and March 1, 2027	103%
September 1, 2027 and March 1, 2028	102
September 1, 2028 and March 1, 2029	101
September 1, 2029 and any Interest Payment Date thereafter	100

(ii) *Mandatory Sinking Payment Redemption.* The Series 2021 Bonds are subject to mandatory sinking payment redemption in part on September 1, 2021, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, from sinking payments as follows:

Redemption Date (September 1)	Sinking Payments
2021	$
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037 (maturity)	

The amounts in the foregoing table shall be reduced to the extent practicable so as to maintain the same debt service profile for the 2021 Bonds as in effect on the Closing Date for the 2021 Bonds, as a result of any prior partial redemption of the 2021 Bonds pursuant to Section 2.03(A)(i) above or Section 2.03(A)(iii) below, as specified in writing by the Finance Director to the Fiscal Agent. The Finance Director shall provide the Fiscal Agent with a revised sinking payment schedule which takes into account any such redemption.

(iii) *Redemption From Special Tax Prepayments*. Special Tax Prepayments and any corresponding transfers from the Reserve Fund pursuant to Section 4.04(F) shall be used to redeem 2021 Bonds on the next Interest Payment Date for which notice of redemption can timely be given under Section 2.03(D), in whole, or in part by lot, at a redemption price (expressed as a percentage of the principal amount of the 2021 Bonds to be redeemed), as set forth below, together with accrued interest to the date fixed for redemption:

Redemption Dates	Redemption Prices
March 1, 2022 through March 1, 2027	103%
September 1, 2027 and March 1, 2028	102
September 1, 2028 and March 1, 2029	101
September 1, 2029 and any Interest Payment Date thereafter	100

(B) Notice to Fiscal Agent. The City shall give the Fiscal Agent written notice of its intention to redeem Bonds pursuant to subsection (A)(i) or (A)(iii) not less than forty-five (45) days prior to the applicable redemption date, or such lesser number of days as the Fiscal Agent may allow.

(C) Purchase of Bonds in Lieu of Redemption. In lieu of redemption under Section 2.03(A), moneys in the Bond Fund may be used and withdrawn by the Fiscal Agent for purchase of Outstanding 2021 Bonds, upon the filing with the Fiscal Agent of an Officer's Certificate requesting such purchase prior to the selection of 2021 Bonds for redemption, at public or private sale as and when, and at such prices (including brokerage and other charges) as such Officer's Certificate may provide, but in no event may 2021 Bonds be purchased at a price in excess of the principal amount thereof, plus interest accrued to the date of purchase and any premium which would otherwise be due if such 2021 Bonds were to be redeemed in accordance with this Agreement.

All 2021 Bonds purchased by the Fiscal Agent pursuant to this Section shall be canceled by the Fiscal Agent. The Fiscal Agent shall destroy the canceled 2021 Bonds and issue a certificate of destruction thereof to the City upon the City's request.

(D) Redemption Procedure by Fiscal Agent. The Fiscal Agent shall cause notice of any redemption to be sent (by first class mail, postage prepaid, or by such other means as is acceptable to the recipient thereof), at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption, to the respective registered Owners of any 2021 Bonds designated for redemption, at their addresses appearing on the Bond Register; but such mailing shall not be a condition precedent to such redemption and failure to mail or to receive any such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of such 2021 Bonds.

Such notice shall state the redemption date and the redemption price and, if less than all of the then Outstanding 2021 Bonds are to be called for redemption, shall designate the Bond numbers of the 2021 Bonds to be redeemed or shall state that all 2021 Bonds between two stated Bond numbers, both inclusive, are to be redeemed or that all of the 2021 Bonds have been called for redemption, shall state as to any 2021 Bond called in part the principal amount thereof to be redeemed, and shall require that such 2021 Bonds be then surrendered at the Principal Office of the Fiscal Agent for redemption at the said redemption price, and shall state that further interest on such 2021 Bonds will not accrue from and after the redemption date.

Notwithstanding the foregoing, in the case of any redemption of the 2021 Bonds under Section 2.03(A)(i) above, the notice of redemption may state that the redemption is conditioned upon receipt by the Fiscal Agent of sufficient moneys to redeem the 2021 Bonds on the anticipated redemption date, and that the redemption shall not occur if by no later than the scheduled redemption date sufficient moneys to redeem the 2021 Bonds have not been deposited with the Fiscal Agent. In the event that the Fiscal Agent does not receive sufficient funds by the scheduled redemption date to so redeem the 2021 Bonds to be redeemed, the Fiscal Agent shall send written notice to the owners of the 2021 Bonds to the effect that the redemption did not occur as anticipated, and the 2021 Bonds for which notice of redemption was given shall remain Outstanding for all purposes of this Agreement.

Upon the payment of the redemption price of 2021 Bonds being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the CUSIP number identifying by issue and maturity the 2021 Bonds being redeemed with the proceeds of such check or other transfer.

Whenever provision is made in this Agreement for the redemption of less than all of the 2021 Bonds (other than a redemption pursuant to Section 2.03(A)(ii)), the Fiscal Agent shall select the 2021 Bonds to be redeemed, from all 2021 Bonds not previously called for redemption, by lot, in any manner which the Fiscal Agent deems appropriate.

Upon surrender of 2021 Bonds redeemed in part only, the City shall execute and the Fiscal Agent shall authenticate and deliver to the Owner, at the expense of the City, a new 2021 Bond or 2021 Bonds, of the same maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the 2021 Bond or 2021 Bonds.

(E) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the 2021 Bonds so called for redemption shall have been deposited in the Bond Fund, such 2021 Bonds so called shall cease to be entitled to any benefit under this Agreement other than the right to receive payment of the redemption price, and no interest shall accrue thereon on or after the redemption date specified in such notice.

Section 2.04. Form of Bonds. The 2021 Bonds, the form of Fiscal Agent's certificate of authentication and the form of assignment to appear thereon, shall be substantially in the forms, respectively, set forth in Exhibit A attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Agreement, the Resolution and the Act.

Section 2.05. Execution of Bonds. The 2021 Bonds shall be executed on behalf of the City by the facsimile signatures of its Mayor and City Clerk. If any officer whose signature appears on any 2021 Bond ceases to be such officer before delivery of the 2021 Bonds to the Owner, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the 2021 Bonds to the Owner. Any 2021 Bond may be signed and attested on behalf of the City by such persons as at the actual date of the execution of such 2021 Bond shall be the proper officers of the City although at the nominal date of such 2021 Bond any such person shall not have been such officer of the City.

Only such 2021 Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in Exhibit A, executed and dated by the Fiscal Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Agreement, and such certificate of authentication of the Fiscal Agent shall be conclusive evidence that the 2021 Bonds registered hereunder have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of this Agreement.

Section 2.06. Transfer of 2021 Bonds. Any 2021 Bond may, in accordance with its terms, be transferred, upon the Bond Register by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such 2021 Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in a form acceptable to the Fiscal Agent. The cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such transfer shall be paid by the City from amounts in the Administrative Expense Fund. The Fiscal Agent shall collect from the Owner requesting such transfer any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any 2021 Bond or 2021 Bonds shall be surrendered for transfer, the City shall execute and the Fiscal Agent shall authenticate and deliver a new 2021 Bond or 2021 Bonds, for like aggregate principal amount of authorized denominations(s).

No transfers of 2021 Bonds shall be required to be made (i) fifteen days prior to the date established by the Fiscal Agent for selection of 2021 Bonds for redemption, (ii) with respect to a 2021 Bond after such 2021 Bond has been selected for redemption, or (iii) between a Record Date and the succeeding Interest Payment Date.

In addition to the requirements of this Section 2.06, the following additional transfer restrictions shall apply to the 2021 Bonds:

(i) the 2021 Bonds, in the form attached hereto as Exhibit A, shall be physical certificated instruments, and shall not be held in a book-entry only system or registered through The Depository Trust Company;

(ii) the 2021 Bonds shall only be transferred to an entity that is an Approved Institutional Buyer;

(iii) the 2021 Bonds may only be transferred in whole;

(iv) each transferee of the 2021 Bonds shall deliver to the Authority and the Fiscal Agent a purchaser's letter substantially in the form of Exhibit B hereto; and

(v) the Fiscal Agent shall not authenticate or register a 2021 Bond unless the conditions of this paragraph, in addition to other conditions in this Section 2.06, have been satisfied.

Section 2.07. Exchange of 2021 Bonds. 2021 Bonds may be exchanged at the Principal Office of the Fiscal Agent for a like aggregate principal amount of 2021 Bonds of authorized denominations. The cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such exchange shall be paid by the City. The Fiscal Agent shall collect from the Owner requesting such exchange any tax or other governmental charge required to be paid with respect to such exchange.

No exchanges of 2021 Bonds shall be required to be made (i) fifteen days prior to the date established by the Fiscal Agent for selection of 2021 Bonds for redemption, (ii) with respect to a 2021 Bond after such 2021 Bond has been selected for redemption, or (iii) between a Record Date and the succeeding Interest Payment Date.

Section 2.08. Bond Register. The Fiscal Agent will keep or cause to be kept, at its Principal Office sufficient books for the registration and transfer of the 2021 Bonds, which books shall show the series number, date, amount, rate of interest and last known Owner of each 2021 Bond and shall at all times be open to inspection by the City during regular business hours upon reasonable notice; and, upon presentation for such purpose, the Fiscal Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the ownership of the 2021 Bonds as hereinbefore provided.

The City and the Fiscal Agent will treat the Owner of any 2021 Bond whose name appears in the Bond Register as the absolute Owner of such 2021 Bond for any and all purposes, and the City and the Fiscal Agent shall not be affected by any notice to the contrary. The City and the Fiscal Agent may rely on the address of the Bondowner as it appears in the Bond Register for any and all purposes.

Section 2.09. Temporary Bonds. The 2021 Bonds may be initially issued in temporary form exchangeable for definitive 2021 Bonds when ready for delivery. The temporary 2021 Bonds may be printed, lithographed or typewritten, shall be of such authorized denominations as may be determined by the City, and may contain such reference to any of the provisions of this Agreement as may be appropriate. Every temporary 2021 Bond shall be executed by the City upon the same conditions and in substantially the same manner as the definitive 2021 Bonds. If the City issues temporary 2021 Bonds it will execute and furnish definitive 2021 Bonds without delay and thereupon the temporary 2021 Bonds shall be surrendered, for cancellation, in exchange for the definitive 2021 Bonds at the Principal Office of the Fiscal Agent or at such other location as the Fiscal Agent shall designate, and the Fiscal Agent shall authenticate and deliver in exchange for such temporary 2021 Bonds an equal aggregate principal amount of definitive 2021 Bonds of authorized denominations. Until so exchanged, the temporary bonds shall be entitled to the same benefits under this Agreement as definitive 2021 Bonds authenticated and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any 2021 Bond shall become mutilated, the City, at the expense of the Owner of said 2021 Bond, shall execute, and the Fiscal Agent shall authenticate and deliver, a new 2021 Bond of like tenor and principal amount in exchange and substitution for the 2021 Bond so mutilated, but only upon surrender to the Fiscal Agent of the 2021 Bond so mutilated. Every mutilated 2021 Bond so surrendered to the Fiscal Agent shall be canceled by it and destroyed by the Fiscal Agent who shall deliver a certificate of destruction thereof to the City.

If any 2021 Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Fiscal Agent and, if such evidence be satisfactory to the Fiscal Agent and indemnity for the City and the Fiscal Agent satisfactory to the Fiscal Agent shall be given, the City, at the expense of the Owner, shall execute, and the Fiscal Agent shall authenticate and deliver, a new 2021 Bond of like tenor and principal amount in lieu of and in substitution for the 2021 Bond so lost, destroyed or stolen. The City may require payment of a sum not exceeding the actual cost of preparing each new 2021 Bond delivered under this Section and of the expenses which may be incurred by the City and the Fiscal Agent for the preparation, execution, authentication and delivery. Any 2021 Bond delivered under the provisions of this Section in lieu of any 2021 Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the City whether or not the 2021 Bond so alleged to be lost, destroyed or stolen is at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Agreement with all other 2021 Bonds issued pursuant to this Agreement.

Section 2.11. Limited Obligation. All obligations of the City under this Agreement and the 2021 Bonds shall be special obligations of the City, payable solely from the Special Tax Revenues and the funds pledged therefore hereunder. Neither the faith and credit nor the taxing power of the City (except with respect to the levy of Special Taxes in the District, to the limited extent set forth herein) or the State of California or any political subdivision thereof is pledged to the payment of the 2021 Bonds.

Section 2.12. No Acceleration. The principal of the 2021 Bonds shall not be subject to acceleration hereunder. Nothing in this Section shall in any way prohibit the redemption of 2021 Bonds under Section 2.03 hereof, or the defeasance of the 2021 Bonds and discharge of this Agreement under Section 9.03 hereof.

ARTICLE III

ISSUANCE OF 2021 BONDS

Section 3.01. Issuance and Delivery of 2021 Bonds. At any time after the execution of this Agreement, the City may issue the 2021 Bonds for the District in the aggregate principal amount set forth in Section 2.01 and deliver the 2021 Bonds to the Original Purchaser. The Authorized Officers of the City are hereby authorized and directed to deliver any and all documents and instruments necessary to cause the issuance of the 2021 Bonds in accordance with the provisions of the Act, the Refunding Law, the Resolution and this Agreement, to redeem the Prior Bonds with proceeds of the 2021 Bonds, to authorize the payment of Costs of Issuance from the proceeds of the 2021 Bonds and to do and cause to be done any and all acts and things necessary or convenient for delivery of the 2021 Bonds to the Original Purchaser and the redemption of the Prior Bonds pursuant to the Escrow Agreement.

Section 3.02. Pledge of Special Tax Revenues. The 2021 Bonds shall be secured by a first pledge (which pledge shall be effected in the manner and to the extent herein provided) of the Special Tax Revenues (other than those referred to in clause (i) of the second paragraph of Section 4.06(A)) and all moneys deposited in the Bond Fund and, until disbursed as provided herein, in the Special Tax Fund. The Special Tax Revenues and all moneys deposited into said funds (except as otherwise provided herein) are hereby dedicated to the payment of the principal of, and interest and any premium on, the 2021 Bonds as provided herein and in the Act until all of the 2021 Bonds have been paid and retired or until moneys or Federal Securities have been set aside irrevocably for that purpose in accordance with Section 9.03. The 2021 Bonds shall also be secured by amounts in the Reserve Fund.

Amounts in the Administrative Expense Fund and the Costs of Issuance Fund are not pledged to the repayment of the 2021 Bonds. The Project is not in any way pledged to pay the Debt Service on the 2021 Bonds. Any proceeds of condemnation or destruction of the Project or any portion thereof are not pledged to pay the Debt Service on the 2021 Bonds and are free and clear of any lien or obligation imposed hereunder.

Section 3.03. Validity of Bonds. The validity of the authorization and issuance of the 2021 Bonds shall not be dependent upon the performance by any person of such persons' obligation(s) with respect to the Project or the Prior Bonds.

ARTICLE IV

FUNDS AND ACCOUNTS

Section 4.01. Deposits of 2021 Bond Proceeds. The proceeds of the purchase of the 2021 Bonds by the Original Purchaser representing the purchase price of the 2021 Bonds of $_____, shall be paid to the Fiscal Agent, who shall forthwith set aside, pay, and deposit and transfer such amount on the Closing Date as follows:

(A) deposit to the Reserve Fund $_____ (being an amount equal to the Reserve Requirement as of the Closing Date);

(B) deposit to the Costs of Issuance Fund $_____; and

(C) transfer to the Escrow Bank for deposit by the Escrow Bank in the 2005-A Account of the Refunding Fund $_____, in the 2005-B Account of the Refunding Fund $_____, and in the 2007 Account of the Refunding Fund $_____.

The Fiscal Agent may, in its discretion, establish a temporary fund or account in its books and records to facilitate transfers pursuant to this Section 4.01

Section 4.02. Deposits of Other Funds. In addition to the deposits of 2021 Bond proceeds set forth in Section 4.01, on the Closing Date the Finance Director shall transfer or cause to be transferred certain moneys held with respect to the Prior Bonds as follows:

(A) transfer $_____ on deposit in the administrative expense fund for the Prior Bonds to the Administrative Expense Fund;

(B) transfer from the reserve funds held with respect to the Prior Bonds to the Escrow Bank for deposit by the Escrow Bank as follows: $_____ in the 2005 Account of the Refunding Fund, and $_____ in the 2007 Account of the Refunding Fund;

(C) transfer from the special tax fund for the Prior Bonds (i) to the Escrow Bank for deposit by the Escrow Bank as follows: $_____ in the 2005 Account of the Refunding Fund, and $_____ in the 2007 Account of the Refunding Fund; and (ii) any remaining amount in such special tax fund to the Special Tax Fund;

(D) transfer from other amounts held by the fiscal agent for the Prior Bonds (i) in the amount of $_____ to the Escrow Bank for deposit by the Escrow Bank in the 2005 Account of the Refunding Fund, and (ii) in the amount of $_____ to the Escrow Bank for deposit by the Escrow Bank in the 2007 Account of the Refunding Fund.

Section 4.03. Costs of Issuance Fund.

(A) Establishment of Costs of Issuance Fund. There is hereby established as a separate fund to be held by the Fiscal Agent, the City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2021 Special Tax Refunding Bonds Costs of Issuance Fund, to the credit of which a deposit shall be made as required by Section 4.01(B). Moneys in the Costs of Issuance Fund shall be held in trust by the Fiscal Agent and shall be disbursed as

provided in subsection (B) of this Section for the payment or reimbursement of Costs of Issuance.

(B) Disbursement. Amounts in the Costs of Issuance Fund shall be disbursed from time to time to pay Costs of Issuance, as set forth in a requisition containing respective amounts to be paid to the designated payees, signed by the Finance Director and delivered to the Fiscal Agent on the Closing Date, or otherwise in an Officer's Certificate delivered to the Fiscal Agent after the Closing Date. The Fiscal Agent shall pay all Costs of Issuance after receipt of an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee pursuant to an Officer's Certificate requesting payment of Costs of Issuance. An Officer's Certificate shall be sufficient evidence to the Fiscal Agent of the facts stated therein and the Fiscal Agent shall have no duty to confirm the accuracy of such facts. The Fiscal Agent shall maintain the Costs of Issuance Fund for a period of 90 days from the date of delivery of the 2021 Bonds and then shall transfer any moneys remaining therein, including any investment earnings thereon, to the Finance Director for deposit by the Finance Director in the Administrative Expense Fund.

(C) Investment. Moneys in the Costs of Issuance Fund shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from said investment shall be retained by the Fiscal Agent in the Costs of Issuance Fund to be used for the purposes of such fund.

Section 4.04. Reserve Fund.

(A) Establishment of Fund. There is hereby established as a separate fund to be held by the Fiscal Agent, the City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2021 Special Tax Refunding Bonds Reserve Fund, to the credit of which a deposit shall be made as required by Section 4.01(A) equal to the Reserve Requirement as of the Closing Date for the 2021 Bonds, and deposits shall be made as provided in Sections 4.06(A) and 4.06(B). Moneys in the Reserve Fund shall be held by the Fiscal Agent for the benefit of the Owners of the 2021 Bonds as a reserve for the payment of principal of, and interest and any premium on, the 2021 Bonds and shall be subject to a lien in favor of the Owners of the 2021 Bonds.

(B) Use of Reserve Fund. Except as otherwise provided in this Section, all amounts deposited in the Reserve Fund shall be used and withdrawn by the Fiscal Agent solely for the purpose of making transfers to the Bond Fund in the event of any deficiency at any time in the Bond Fund of the amount then required for payment of the principal of, and interest on, the 2021 Bonds or, in accordance with the provisions of this Section, for the purpose of redeeming 2021 Bonds from the Bond Fund.

(C) Transfer Due to Deficiency in Bond Fund. Whenever transfer is made from the Reserve Fund to the Bond Fund due to a deficiency in the Bond Fund to pay the 2021 Bonds, the Fiscal Agent shall provide written notice thereof to the Finance Director, specifying the amount withdrawn.

(D) Transfer of Excess of Reserve Requirement. Whenever, on the Business Day prior to any Interest Payment Date, or on any other date at the request of the Finance Director, the amount in the Reserve Fund exceeds the Reserve Requirement, the Fiscal Agent shall provide written notice to the Finance Director of the amount of the excess and shall transfer an amount equal to the excess from the Reserve Fund to the Bond Fund to be used for the payment of interest on the 2021 Bonds on the next Interest Payment Date in accordance with Section 4.05.

(E) Transfer When Balance Exceeds Outstanding Bonds. Whenever the balance of funds held in the Reserve Fund equals or exceeds the amount required to redeem or pay the Outstanding 2021 Bonds, including interest accrued to the date of payment or redemption and premium, if any, due upon redemption, the Fiscal Agent shall upon the written direction of the Finance Director transfer the amount in the Reserve Fund to the Bond Fund to be applied, on the next succeeding Interest Payment Date to the payment and redemption, in accordance with Section 2.03 and 4.05, as applicable, of all of the Outstanding 2021 Bonds. In the event that the amount so transferred from the Reserve Fund to the Bond Fund exceeds the amount required to pay and redeem the Outstanding 2021 Bonds, the balance in the Reserve Fund shall be transferred to the City to be used for any lawful purpose under the Act.

Notwithstanding the foregoing, no amounts shall be transferred from the Reserve Fund pursuant to this Section 4.04(E) until after payment of any fees and expenses due to the Fiscal Agent.

(F) Transfer Upon Special Tax Prepayment. Whenever Special Taxes are prepaid and 2021 Bonds are to be redeemed with the proceeds of such prepayment pursuant to Section 2.03(A)(iii) and 4.05(B)(ii), a proportionate amount of the funds in the Reserve Fund (determined on the basis of the principal of 2021 Bonds to be redeemed, and the then outstanding principal of the 2021 Bonds but only to the extent that the amount on deposit after such transfer in the Reserve Fund equals the Reserve Requirement assuming such redemption) shall be transferred on the Business Day prior to the redemption date by the Fiscal Agent to the Bond Fund to be applied to the redemption of the 2021 Bonds pursuant to Section 2.03(A)(iii). The Finance Director shall deliver to the Fiscal Agent an Officer's Certificate specifying any amount to be so transferred, and the Fiscal Agent may rely on any such Officer's Certificate.

(G) Investment. Moneys in the Reserve Fund shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from said investment shall be subject to transfer on the Business Day prior to each Interest Payment Date or when otherwise requested in writing by the Finance Director to the Bond Fund to be used for the payment of interest on the 2021 Bonds on the next Interest Payment Date in accordance with Section 4.05.

Section 4.05. Bond Fund.

(A) Establishment of Bond Fund and Special Tax Prepayments Account. There is hereby established as a separate fund to be held by the Fiscal Agent the City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) Bond Fund, to the credit of which deposits shall be made as required by Sections 4.04, 4.06(A) and 4.06(B) and any other amounts required to be deposited therein by this Agreement or the Act. There is also hereby created in the Bond Fund, a separate account held by the Fiscal Agent, the Special Tax Prepayments Account, to the credit of which deposits shall be made as provided in Section 4.06(A).

Moneys in the Bond Fund and the Special Tax Prepayments Account therein shall be held by the Fiscal Agent for the benefit of the Owners of the 2021 Bonds, shall be disbursed for the payment of the principal of, and interest and any premium on, the 2021 Bonds as provided below, and, pending such disbursement, shall be subject to a lien in favor of the Owners of the 2021 Bonds. Notwithstanding the foregoing, amounts in the Bond Fund may be used for the purposes set forth in Section 2.03(C).

(B) Disbursements. (i) Bond Fund Disbursements. On each Interest Payment Date, the Fiscal Agent shall withdraw from the Bond Fund and pay to the Owners of the 2021 Bonds the principal, and interest and any premium, then due and payable on the 2021 Bonds, including any amounts due on the 2021 Bonds by reason of a redemption of the 2021 Bonds required by Section 2.03(A), such payments to be made in the priority listed in the second succeeding paragraph. Notwithstanding the foregoing, amounts in the Bond Fund as a result of a transfer pursuant to clause (iii) of the second paragraph of Section 4.06(A) shall be immediately disbursed by the Fiscal Agent to pay past due amounts owing on the 2021 Bonds.

In the event that amounts in the Bond Fund on the date which is five (5) Business Days prior to each Interest Payment Date are insufficient to pay amounts due and owing on the 2021 Bonds on the immediately succeeding Interest Payment Date, the Fiscal Agent shall withdraw from the Reserve Fund to the extent of any funds therein amounts to cover the amount of such Bond Fund insufficiency with respect to the 2021 Bonds. Amounts so withdrawn from the Reserve Fund shall be deposited in the Bond Fund and shall be used solely to make payments on the 2021 Bonds.

If, after the foregoing transfers, there are insufficient funds in the Bond Fund to make the payments provided for in the first sentence of the first paragraph of this Section 4.02(B)(i), the Fiscal Agent shall apply the available funds first to the payment of interest on the 2021 Bonds, then to the payment of principal due on the 2021 Bonds. Each such payment shall be made ratably to the Owners of the 2021 Bonds based on the then Outstanding principal amount of the 2021 Bonds, if there are insufficient funds to make the corresponding payment for all of the then Outstanding 2021 Bonds.

(ii) Special Tax Prepayments Account Disbursements. Moneys in the Special Tax Prepayments Account shall be transferred by the Fiscal Agent to the Bond Fund on the next date for which notice of redemption of 2021 Bonds can timely be given under Section 2.03(A)(iii), and notice to the Fiscal Agent can timely be given under Section 2.03(B), and shall be used (together with any amounts transferred pursuant to Section 4.04(F)) to redeem 2021 Bonds on the redemption date selected in accordance with Section 2.03(A)(iii).

(C) Investment. Moneys in the Bond Fund and the Special Tax Prepayments Account shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from the investment and deposit of amounts in the Bond Fund and the Special Tax Prepayments Account shall be retained in the Bond Fund and the Special Tax Prepayments Account, respectively, to be used for purposes of such fund and accounts.

Section 4.06. Special Tax Fund.

(A) Establishment of Special Tax Fund. There is hereby established as a separate fund to be held by the Finance Director, the City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) Special Tax Fund, to the credit of which the City shall deposit, as soon as practicable following receipt, all Special Tax Revenues received by the City and any amounts required by Sections 4.02(C)(ii) and 4.07(B) to be deposited therein.

Notwithstanding the foregoing,

(i) any Special Tax Revenues constituting payment of the portion of the Special Tax levy for Administrative Expenses shall be separately identified by the Finance

Director and shall be deposited by the Finance Director in the Administrative Expense Fund;

(ii) any proceeds of Special Tax Prepayments shall be transferred by the Finance Director directly to the Fiscal Agent for deposit by the Fiscal Agent in the Special Tax Prepayments Account established pursuant to Section 4.05(A); and

(iii) any Special Tax Revenues constituting the collection of delinquencies in payment of Special Taxes shall be transferred by the Finance Director first, to the Fiscal Agent for deposit by the Fiscal Agent in the Bond Fund to the extent needed to pay any past due debt service on the 2021 Bonds; second, to the Fiscal Agent for the Fiscal Agent to deposit in the Reserve Fund the amount, if any, needed to restore the balance then on deposit in or credited to the Reserve Fund to the then Reserve Requirement; third, to the Administrative Expense Fund to the extent that amounts in such fund were used to pay costs related to the collection of such delinquencies; and fourth, shall be retained by the Finance Director in the Special Tax Fund for use as described in Section 4.06(B) below.

Moneys in the Special Tax Fund shall be held in trust by the City for the benefit of the City and the Owners of the 2021 Bonds, shall be disbursed as provided below and, pending disbursement, shall be subject to a lien in favor of the Owners of the 2021 Bonds and the City.

(B) Disbursements. From time to time as needed to pay the debt service due on the 2021 Bonds, but no later than the date which is five (5) Business Days prior to each Interest Payment Date or date for the redemption of 2021 Bonds, the Finance Director shall withdraw from the Special Tax Fund and transfer the following amounts in the following order of priority (i) to the Bond Fund an amount, taking into account any amounts then on deposit in the Bond Fund and any expected transfers from the Reserve Fund and the Special Tax Prepayments Account to the Bond Fund pursuant to Sections 4.04(D), (F) and (G), and 4.05(B)(ii), such that the amount in the Bond Fund equals the principal, premium, if any, and interest due on the 2021 Bonds on the next Interest Payment Date or date of redemption with respect to 2021 Bonds being redeemed, and (ii) to the Fiscal Agent in respect of the Reserve Fund an amount taking into account the amount then on deposit in the Reserve Fund, such that the balance on deposit in the Reserve Fund is restored to the then Reserve Requirement, to the extent possible.

In addition to the foregoing, if in any Fiscal Year there are sufficient funds in the Special Tax Fund to make the foregoing transfers to the Bond Fund and the Reserve Fund in respect of the Interest Payment Dates occurring in the Bond Year that commences in such Fiscal Year and in respect of any 2021 Bonds being redeemed in such Bond Year, the Finance Director may transfer any amount in the Special Tax Fund in excess of the amount needed to make such transfers to the Bond Fund and the Reserve Fund (i) to the Administrative Expense Fund, from time to time, if monies are needed to pay Administrative Expenses in excess of the amount then on deposit in the Administrative Expense Fund; or (ii) to such other fund or account established by the City to be used for any lawful purpose under the Act and otherwise in accordance with the provisions of the Rate and Method of Apportionment of Special Taxes.

(C) Investment. Moneys in the Special Tax Fund shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from such investment and deposit shall be retained in the Special Tax Fund to be used for the purposes thereof.

Section 4.07. Administrative Expense Fund.

(A) Establishment of Administrative Expense Fund. There is hereby established as a separate fund to be held by the Finance Director, the City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) Administrative Expense Fund, to the credit of which deposits shall be made as required by Sections 4.02(A), 4.03(B) and 4.06(B). Moneys in the Administrative Expense Fund shall be held by the Finance Director for the benefit of the City, and shall be disbursed as provided below.

(B) Disbursement. Amounts in the Administrative Expense Fund shall be withdrawn by the Finance Director from time to time and used to pay Administrative Expenses or a Costs of Issuance. Amounts transferred from the Costs of Issuance Fund to the Administrative Expense Fund pursuant to Section 4.03(B) shall be separately identified at all times, and shall be expended for purposes of the Administrative Expense Fund prior to the use of amounts transferred to the Administrative Expense Fund from the Special Tax Fund pursuant to Section 4.06(B).

(C) Investment. Moneys in the Administrative Expense Fund shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from said investment shall be retained by the Finance Director in the Administrative Expense Fund to be used for the purposes thereof.

ARTICLE V

OTHER COVENANTS OF THE CITY

Section 5.01. Punctual Payment. The City will punctually pay or cause to be paid the principal of, and interest and any premium on, the 2021 Bonds when and as due in strict conformity with the terms of this Agreement and any Supplemental Agreement, and it will faithfully observe and perform all of the conditions covenants and requirements of this Agreement and all Supplemental Agreements and of the 2021 Bonds.

Section 5.02. Limited Obligation. The 2021 Bonds are limited obligations of the City on behalf of the District and are payable solely from and secured solely by the Special Tax Revenues and the amounts in the Bond Fund (including the Special Tax Prepayments Account therein), the Reserve Fund and the Special Tax Fund created hereunder.

Section 5.03. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, the City shall not, directly or indirectly, extend or consent to the extension of the time for the payment of any claim for interest on any of the 2021 Bonds and shall not, directly or indirectly, be a party to the approval of any such arrangement by purchasing or funding said claims for interest or in any other manner. In case any such claim for interest shall be extended or funded, whether or not with the consent of the City, such claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Agreement, except subject to the prior payment in full of the principal of all of the 2021 Bonds then Outstanding and of all claims for interest which shall not have so extended or funded.

Section 5.04. Against Encumbrances. The City will not encumber, pledge or place any charge or lien upon any of the Special Tax Revenues or other amounts pledged to the 2021 Bonds superior to or on a parity with the pledge and lien herein created for the benefit of the 2021 Bonds, except as permitted by this Agreement.

Section 5.05. Books and Records. The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City, in which complete and correct entries shall be made of all transactions relating to the expenditure of amounts disbursed from the Administrative Expense Fund and the Special Tax Fund and to the Special Tax Revenues. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Fiscal Agent (who shall have no duty to inspect the same) and the Owners of not less than ten percent (10%) of the principal amount of the 2021 Bonds then Outstanding, or their representatives duly authorized in writing.

Section 5.06. Protection of Security and Rights of Owners. The City will preserve and protect the security of the 2021 Bonds and the rights of the Owners, and will warrant and defend their rights against all claims and demands of all persons. From and after the delivery of any of the 2021 Bonds by the City, the 2021 Bonds shall be incontestable by the City.

Section 5.07. Compliance with Law. The City will comply with all applicable provisions of the Act and law in administering the District.

Section 5.08. Collection of Special Tax Revenues. The City shall comply with all requirements of the Act so as to assure the timely collection of Special Tax Revenues, including without limitation, the enforcement of delinquent Special Taxes.

On or about June 1 of each year, the Fiscal Agent shall provide the Finance Director with a notice stating the amount then on deposit in the Bond Fund and the Reserve Fund, and informing the City that the Special Taxes need to be levied pursuant to the Ordinance as necessary to provide for Annual Debt Service, Administrative Expenses, replenishment (if necessary) of the Reserve Fund so that the balance therein equals the Reserve Requirement and as otherwise included in the definition Special Tax Requirement in the Rate and Method of Apportionment of Special Taxes. The receipt of or failure to receive such notice by the Finance Director shall in no way affect the obligations of the Finance Director under the following two paragraphs, and the Fiscal Agent shall not be responsible for any inability or failure to provide such notice. Upon receipt of such notice, the Finance Director shall communicate with the Auditor to ascertain the relevant parcels on which the Special Taxes are to be levied, taking into account any parcel splits during the preceding and then current year.

The Finance Director shall effect the levy of the Special Taxes each Fiscal Year in accordance with the Ordinance by each July 15 that the 2021 Bonds are outstanding, or otherwise such that the computation of the levy is complete before the final date on which the Auditor will accept the transmission of the Special Tax amounts for the parcels within the District for inclusion on the next real property tax roll. Upon the completion of the computation of the amounts of the levy, the Finance Director shall prepare or cause to be prepared, and shall transmit to the Auditor, such data as the Auditor requires to include the levy of the Special Taxes on the next real property tax roll.

The Finance Director shall fix and levy the amount of Special Taxes within the District required for the payment of principal of and interest on any outstanding 2021 Bonds of the District becoming due and payable during the ensuing year, including any necessary replenishment or expenditure of the Reserve Fund for the 2021 Bonds, and an amount estimated to be sufficient to pay the Administrative Expenses (including amounts necessary to discharge any obligation under Section 5.13) during such year and an amount in respect of reasonably anticipated Special Tax delinquencies all in accordance with the Rate and Method of Apportionment of Special Taxes and the definition of Special Tax Requirement therein. The Special Taxes so levied shall not exceed the maximum amounts as provided in the Rate and Method of Apportionment of Special Taxes.

The Special Taxes shall be payable and be collected in the same manner and at the same time and in the same installment as the general taxes on real property are payable, and have the same priority, become delinquent at the same time and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the ad valorem taxes on real property; provided that, pursuant to and in accordance with the Ordinance, the Special Taxes may be collected by means of direct billing of the property owners within the District, in which event the Special Taxes shall become delinquent if not paid when due pursuant to said billing.

The Finance Director is hereby authorized to employ consultants to assist in computing the levy of the Special Taxes hereunder and any reconciliation of amounts levied to amounts received. The fees and expenses of such consultants and the costs and expenses of the Finance Director (including a charge for City staff time) in conducting the Finance Director's duties hereunder shall be an Administrative Expense hereunder.

Section 5.09. Covenant to Foreclose. Pursuant to Section 53356.1 of the Act, the City hereby covenants with and for the benefit of the Owners of the 2021 Bonds that it will order, and cause to be commenced as hereinafter provided, and thereafter diligently prosecute to judgment (unless such delinquency is theretofore brought current), an action in the superior court to foreclose the lien of any Special Tax or installment thereof not paid when due as provided in the following paragraph. The Finance Director shall notify the City Attorney of any such delinquency of which it is aware, and the City Attorney shall commence, or cause to be commenced, such proceedings.

On or about June 15 of each Fiscal Year, the Finance Director shall compare the amount of Special Taxes theretofore levied in the District to the amount of Special Tax Revenues theretofore received by the City, and, if the Finance Director determines that any single parcel subject to the Special Tax in the District is delinquent in the payment of Special Taxes in an aggregate amount in excess of $3,000, then the Finance Director shall send or cause to be sent a notice of delinquency (and a demand for immediate payment thereof) to the property owner within 45 days of such determination, and (if the delinquency remains uncured) foreclosure proceedings shall be commenced by the City within 30 days after delivery of such notice and demand. Notwithstanding the foregoing, the Finance Director may defer such action if the amount in the Reserve Fund is at least equal to the Reserve Requirement.

The Finance Director and the City Attorney, as applicable, are hereby authorized to employ counsel to conduct any such foreclosure proceedings. The fees and expenses of any such counsel (including a charge for City staff time) in conducting foreclosure proceedings shall be an Administrative Expense hereunder. As provided in the third paragraph of Section 6.03, the City is not required to advance its own funds for any purposes of this Section 5.09, but may use amounts in the Administrative Expense Fund for such purposes.

Section 5.10. Further Assurances. The City will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Agreement, and for the better assuring and confirming unto the Owners of the rights and benefits provided in this Agreement.

Section 5.11. Private Activity Bond Limitations. The City shall assure that the proceeds of the Prior Bonds and of the 2021 Bonds are not so used as to cause the 2021 Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

Section 5.12. Federal Guarantee Prohibition. The City shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the 2021 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 5.13. Rebate Requirement. The City shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the 2021 Bonds.

If necessary, the City may use amounts on deposit in the Administrative Expense Fund and any other funds available to the District, including amounts advanced by the City, in its sole discretion, to be repaid by the District as soon as practicable from amounts described in the preceding clauses, to satisfy its obligations under this Section 5.13. The Finance Director shall take note of any investment of monies hereunder in excess of the yield on the 2021 Bonds, and

shall take such actions as are necessary to ensure compliance with this Section 5.13, such as increasing the portion of the Special Tax levy for Administration Expenses as appropriate to have funds available in the Administrative Expense Fund to satisfy any rebate liability under this Section 5.13.

In order to provide for the administration of this Section 5.13, the Finance Director may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the Finance Director may deem appropriate and in addition, and without limitation of the provisions of Sections 6.02, 6.03 and 6.04, the Finance Director may rely conclusively upon and be fully protected from all liability in relying upon the opinions, determinations, calculations and advice of such agents, attorneys and consultants employed hereunder. Any fees or expenses incurred by the City under or pursuant to this Section 5.13 shall be Administrative Expenses.

The Fiscal Agent may rely conclusively upon the City's determinations, calculations and certifications required by this Section. The Fiscal Agent shall have no responsibility to independently make any calculation or determination or to review the City's calculations hereunder.

Section 5.14. No Arbitrage. The City shall not take, or permit or suffer to be taken by the Fiscal Agent or otherwise, any action with respect to the proceeds of the 2021 Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the 2021 Bonds would have caused the 2021 Bonds to be "arbitrage bonds" within the meaning of section 148 of the Code.

Section 5.15. Yield of the 2021 Bonds. In determining the yield of the 2021 Bonds to comply with Section 5.13 and 5.14 hereof, the City will take into account redemption (including premium, if any) in advance of maturity based on the reasonable expectations of the City, as of the Closing Date, regarding prepayments of Special Taxes and use of prepayments for redemption of the 2021 Bonds, without regard to whether or not prepayments are received or 2021 Bonds redeemed.

Section 5.16. Maintenance of Tax-Exemption. The City shall take all actions necessary to assure the exclusion of interest on the 2021 Bonds from the gross income of the Owners of the 2021 Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the 2021 Bonds.

Section 5.17. Reporting to Purchaser. The following reporting obligations of the City shall apply so long as the 2021 Bonds are outstanding:

(A) Annual Reporting. Within nine (9) months of the end of each Fiscal Year, the City shall provide to the Original Purchaser an annual report which shall include the following:

(i) a copy of the City's audited financial statements;

(ii) the balance in each fund established under the Fiscal Agent Agreement as of September 2 preceding the filing of the annual report;

(iii) an update of a table that includes a list of all taxpayers within the District that own property in the District upon which 5% or more of the total Special Taxes for the current fiscal year have been levied, and a statement as to whether any of such taxpayers is delinquent in the payment of Special Taxes;

(iv) a table based upon the most recent Special Tax levy preceding the date of the annual report showing the assessed values of property subject to the Special Tax levy for the current Fiscal Year;

(v) any changes to the Rate and Method Approved of Special Taxes for the District, or any such change submitted to the qualified electors of the District prior to the filing of the annual report;

(vi) the amount of Special Taxes levied in the preceding Fiscal Year, and the percentage delinquent for such Fiscal Year and the status of any foreclosure actions being pursued by the City with respect to the delinquent Special Taxes; and

(vii) any information not already included above that the City is required to file in the annual report to the California Debt and Investment Advisory Commission pursuant to the provisions of the Act.

(B) Significant Event Reporting. The City shall give notice of the occurrence of any of the following events with respect to the 2021 Bonds to the Original Purchaser in a timely manner but not in excess of ten Business Days after the occurrence of any of the following:

(i) Principal and interest payment delinquencies;

(ii) Non–payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

(vii) Modifications to rights of security holders, if material;

(viii) Bond calls, if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution, or sale of property securing repayment of the securities, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the City or other obligated person;

(xiii) The consummation of a merger, consolidation, or acquisition involving the City or an obligated person, or the sale of all or substantially all of the assets of the City

or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) The incurrence of a financial obligation of the City or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City or other obligated person, any of which affect security holders, if material; or

(xvi) A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City or other obligated person, any of which reflect financial difficulties.

Section 5.18. No Additional Bonds. The City shall not issue any additional bonds secured by (A) a pledge of Special Taxes on a parity with or senior to the pledge thereof under Section 3.02 hereof; or (B) any amounts in any funds or accounts established hereunder.

Section 5.19. Reduction of Special Taxes. The City covenants and agrees to not consent or conduct proceedings with respect to a reduction in the maximum Special Taxes that may be levied in the District below an amount, for any Fiscal Year, equal to 110% of the aggregate of the debt service due on the 2021 Bonds in such Fiscal Year, plus a reasonable estimate of Administrative Expenses for such Fiscal Year and of anticipated delinquencies in the payment of Special Taxes based on the delinquency rate for the Special Tax levy in the previous Fiscal Year. It is hereby acknowledged that Bondowners are purchasing the 2021 Bonds in reliance on the foregoing covenant, and that said covenant is necessary to assure the full and timely payment of the 2021 Bonds.

Section 5.20. Limits on Special Tax Waivers and Bond Tenders. The City covenants not to exercise its rights under the Act to waive delinquency and redemption penalties related to the Special Taxes or to declare Special Tax penalties amnesty program if to do so would materially and adversely affect the interests of the owners of the 2021 Bonds. The City further covenants not to permit the tender of 2021 Bonds in payment of any Special Taxes except upon receipt of a certificate of an Independent Financial Consultant that to accept such tender will not result in the City having insufficient Special Tax Revenues to pay the principal of and interest on the 2021 Bonds that will remain Outstanding following such tender.

Section 5.21. City Bid at Foreclosure Sale. The City will not bid at a foreclosure sale of property in respect of delinquent Special Taxes unless it expressly agrees to take the property subject to the lien for Special Taxes imposed by the District and that the Special Taxes levied on the property are payable while the City owns the property.

ARTICLE VI

INVESTMENTS, DISPOSITION OF INVESTMENT PROCEEDS, LIABILITY OF THE CITY

Section 6.01. Deposit and Investment of Moneys in Funds. Moneys in any fund or account created or established by this Agreement and held by the Fiscal Agent shall be invested by the Fiscal Agent in Permitted Investments, as directed pursuant to an Officer's Certificate filed with the Fiscal Agent at least two (2) Business Days in advance of the making of such investments. The Officer's Certificate shall contain a certification to the Fiscal Agent that the investments being directed are Permitted Investments as required hereunder. In the absence of any such Officer's Certificate, the Fiscal Agent shall invest any such moneys in Permitted Investments described in clause (h) of the definition thereof; provided, however, that any such investment shall be made by the Fiscal Agent only if, prior to the date on which such investment is to be made, the Fiscal Agent shall have received an Officer's Certificate specifying a specific money market fund into which the funds shall be invested and, if no such Officer's Certificate is so received, the Fiscal Agent shall hold such moneys uninvested. The Finance Director shall make note of any investment of funds hereunder in excess of the yield on the 2021 Bonds, so that appropriate actions can be taken to assure compliance with Section 5.13.

Moneys in any fund or account created or established by this Agreement and held by the Finance Director shall be invested by the Finance Director in any Permitted Investment, which in any event by their terms mature prior to the date on which such moneys are required to be paid out hereunder. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account, subject, however, to the requirements of this Agreement for transfer of interest earnings and profits resulting from investment of amounts in funds and accounts. Whenever in this Agreement any moneys are required to be transferred by the City to the Fiscal Agent, such transfer may be accomplished by transferring a like amount of Permitted Investments.

The Fiscal Agent and its affiliates or the Finance Director may act as sponsor, advisor, depository, principal or agent in the acquisition or disposition of any investment. Neither the Fiscal Agent nor the Finance Director shall incur any liability for losses arising from any investments made pursuant to this Section. The Fiscal Agent shall not be required to determine the legality of any investments.

Except as otherwise provided in the next sentence, the City shall direct or make investments hereunder such that all investments of amounts deposited in any fund or account created by or pursuant to this Agreement, or otherwise containing gross proceeds of the Bonds (within the meaning of section 148 of the Code) are be acquired, disposed of, and valued (as of the date that valuation is required by this Agreement or the Code) at Fair Market Value. The City shall direct or make investments hereunder such that investments in funds or accounts (or portions thereof) that are subject to a yield restriction under the applicable provisions of the Code and (unless valuation is undertaken at least annually) investments in the Reserve Fund are valued at their present value (within the meaning of section 148 of the Code). The Fiscal Agent shall not be liable for verification of the application of such sections of the Code.

Investments in any and all funds and accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular funds or accounts of

amounts received or held by the Fiscal Agent or the Finance Director hereunder, provided that the Fiscal Agent or the Finance Director, as applicable, shall at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in this Agreement.

The Fiscal Agent or the Finance Director, as applicable, shall sell in a commercially reasonable manner, or present for redemption, any investment security whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such investment security is credited and neither the Fiscal Agent nor the Finance Director shall be liable or responsible for any loss resulting from the acquisition or disposition of such investment security in accordance herewith.

The City acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the City the right to receive brokerage confirmations of security transactions as they occur, the City specifically waives receipt of such confirmations to the extent permitted by law. The Fiscal Agent will furnish the City periodic cash transaction statements which shall include detail for all investment transactions made by the Fiscal Agent hereunder.

Section 6.02. Limited Obligation. The City's obligations hereunder are limited obligations of the City on behalf of the District and are payable solely from and secured solely by the Special Tax Revenues and the amounts in the Special Tax Fund, the Bond Fund (including the Special Tax Prepayments Account therein) and the Reserve Fund created hereunder.

Section 6.03. Liability of City. The City shall not incur any responsibility in respect of the 2021 Bonds or this Agreement other than in connection with the duties or obligations explicitly herein or in the 2021 Bonds assigned to or imposed upon it. The City shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful default. The City shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions covenants or agreements of the Fiscal Agent herein or of any of the documents executed by the Fiscal Agent in connection with the 2021 Bonds, or as to the existence of a default or event of default thereunder.

In the absence of bad faith, the City, including the Finance Director, may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the City and conforming to the requirements of this Agreement. The City, including the Finance Director, shall not be liable for any error of judgment made in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts.

No provision of this Agreement shall require the City to expend or risk its own general funds or otherwise incur any financial liability (other than with respect to the Special Tax Revenues) in the performance of any of its obligations hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The City and the Finance Director may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The City may consult with counsel, who may

be the City Attorney, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

The City shall not be bound to recognize any person as the Owner of a 2021 Bond unless and until such 2021 Bond is submitted for inspection, if required, and his title thereto satisfactory established, if disputed.

Whenever in the administration of its duties under this Agreement the City or the Finance Director shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the City, be deemed to be conclusively proved and established by a certificate of the Fiscal Agent, an Independent Financial Consultant or a Tax Consultant, and such certificate shall be full warrant to the City and the Finance Director for any action taken or suffered under the provisions of this Agreement or any Supplemental Agreement upon the faith thereof, but in its discretion the City or the Finance Director may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 6.04. Employment of Agents by City. In order to perform its duties and obligations hereunder, the City and/or the Finance Director may employ such persons or entities as it deems necessary or advisable. The City shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith hereunder, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations and directions of such persons or entities.

ARTICLE VII

THE FISCAL AGENT

Section 7.01. Appointment of Fiscal Agent. U.S. Bank National Association, is hereby appointed Fiscal Agent and paying agent for the 2021 Bonds. The Fiscal Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Fiscal Agent.

Any company into which the Fiscal Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Fiscal Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under the following paragraph of this Section, shall be the successor to such Fiscal Agent without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

The City may at any time remove the Fiscal Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank, national banking association or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least Fifty Million Dollars ($50,000,000), and subject to supervision or examination by federal or state authority. If such bank, national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 7.01, combined capital and surplus of such bank, national banking association or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Fiscal Agent may at any time resign by giving written notice to the City and by giving to the Owners notice by mail of such resignation. Upon receiving notice of such resignation, the City shall promptly appoint a successor Fiscal Agent by an instrument in writing. Any resignation or removal of the Fiscal Agent shall become effective upon acceptance of appointment by the successor Fiscal Agent. Upon such acceptance, the successor Fiscal Agent shall be vested with all rights and powers of its predecessor hereunder without any further act.

If no appointment of a successor Fiscal Agent shall be made pursuant to the foregoing provisions of this Section within forty-five (45) days after the Fiscal Agent shall have given to the City written notice or after a vacancy in the office of the Fiscal Agent shall have occurred by reason of its inability to act, the Fiscal Agent or any Owner may apply to any court of competent jurisdiction to appoint a successor Fiscal Agent. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Fiscal Agent.

If, by reason of the judgment of any court, or reasonable agency, the Fiscal Agent is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the Fiscal Agent hereunder shall be assumed by and vest in the Finance Director of the City in trust for the benefit of the Owners. The City covenants for the direct benefit of the Owners that its Finance Director in such case shall be vested with all of the rights and powers of the Fiscal Agent hereunder, and shall assume all of the responsibilities and perform all of the duties of the Fiscal Agent hereunder, in trust for the benefit of the Owners of the 2021 Bonds. In

such event, the Finance Director may designate a successor Fiscal Agent qualified to act as Fiscal Agent hereunder.

Section 7.02. Liability of Fiscal Agent. The recitals of facts, covenants and agreements herein and in the 2021 Bonds contained shall be taken as statements, covenants and agreements of the City, and the Fiscal Agent assumes no responsibility for the correctness of the same, or makes any representations as to the validity or sufficiency of this Agreement or of the 2021 Bonds, or shall incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the 2021 Bonds assigned to or imposed upon it. The Fiscal Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful default. The Fiscal Agent assumes no responsibility or liability for any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the 2021 Bonds.

In the absence of bad faith, the Fiscal Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Fiscal Agent and conforming to the requirements of this Agreement; but in the case of any such certificates or opinions by which any provision hereof are specifically required to be furnished to the Fiscal Agent, the Fiscal Agent shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Agreement. Except as provided above in this paragraph, Fiscal Agent shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Agreement, upon any resolution, order, notice, request, consent or waiver, certificate, statement, affidavit, or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper person or to have been prepared and furnished pursuant to any provision of this Agreement, and the Fiscal Agent shall not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

The Fiscal Agent shall not be liable for any error of judgment made in good faith by a responsible officer unless it shall be proved that the Fiscal Agent was negligent in ascertaining the pertinent facts.

No provision of this Agreement shall require the Fiscal Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

The Fiscal Agent shall be under no obligation to exercise any of the rights or powers vested in it by this Agreement at the request or direction of any of the Owners pursuant to this Agreement unless such Owners shall have offered to the Fiscal Agent reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

The Fiscal Agent may become the owner of the 2021 Bonds with the same rights it would have if it were not the Fiscal Agent.

The Fiscal Agent shall have no duty or obligation whatsoever to enforce the collection of Special Taxes or other funds to be deposited with it hereunder, or as to the correctness of any amounts received, and its liability shall be limited to the proper accounting for such funds as it shall actually receive.

The Fiscal Agent may consult with counsel who may be counsel to the City or Bond Counsel, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

In order to perform its duties and obligations hereunder, the Fiscal Agent may employ such persons or entities as it deems necessary or advisable. The Fiscal Agent shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith hereunder, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations and directions of such persons or entities.

Section 7.03. Information. The Fiscal Agent shall provide to the City such information relating to the 2021 Bonds and the funds and accounts maintained by the Fiscal Agent hereunder as the City shall reasonably request, including but not limited to quarterly statements reporting funds held and transactions by the Fiscal Agent.

The Fiscal Agent will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Fiscal Agent, in which complete and correct entries shall be made of all transactions relating to the expenditure of amounts disbursed from the Bond Fund, the Special Tax Prepayments Account, the Reserve Fund and the Costs of Issuance Fund. Such books of record and accounts shall upon reasonable prior notice at all times during business hours be subject to the inspection of the City and the Owners of not less than ten percent (10%) of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

Section 7.04. Notice to Fiscal Agent. The Fiscal Agent may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond or other paper or document believed in good faith by it to be genuine and to have been signed or presented by the proper party or proper parties.

The Fiscal Agent shall not be bound to recognize any person as the Owner of a 2021 Bond unless and until such 2021 Bond is submitted for inspection, if required, and his title thereto satisfactorily established, if disputed.

Whenever in the administration of its duties under this Agreement the Fiscal Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the Fiscal Agent, be deemed to be conclusively proved and established by an Officer's Certificate, and such certificate shall be full warrant to the Fiscal Agent for any action taken or suffered under the provisions of this Agreement or any Supplemental Agreement upon the faith thereof, but in its discretion the Fiscal Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 7.05. Compensation, Indemnification. The City shall pay to the Fiscal Agent from time to time reasonable compensation for all services rendered as Fiscal Agent under this Agreement, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Agreement, but the Fiscal Agent shall not have a lien therefor on any funds at any time held by it under this Agreement. The City further agrees, to the extent permitted by applicable law, to indemnify and save the Fiscal Agent, its officers, employees, directors and agents harmless against any costs, expenses, claims or

liabilities whatsoever, including without limitation fees and expenses of its attorneys, which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or willful misconduct. The obligation of the City under this Section shall survive resignation or removal of the Fiscal Agent under this Agreement and payment of the Bonds and discharge of this Agreement, but any monetary obligation of the City arising under this Section shall be limited solely to amounts on deposit in the Administrative Expense Fund.

ARTICLE VIII

MODIFICATION OR AMENDMENT OF THIS AGREEMENT

Section 8.01. Amendments Permitted. This Agreement and the rights and obligations of the City and of the Owners of the 2021 Bonds may be modified or amended at any time by a Supplemental Agreement, but only with the prior written consent of the Owners of all of the 2021 Bonds then Outstanding, exclusive of 2021 Bonds disqualified as provided in Section 8.02. Any such amendment may not modify any of the rights or obligations of the Fiscal Agent without its written consent.

This Agreement and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Agreement, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(A) to add to the covenants and agreements of the City in this Agreement contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;

(B) to make modifications not adversely affecting any Outstanding 2021 Bonds of the City in any material respect;

(C) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Agreement, or in regard to questions arising under this Agreement, as the City and the Fiscal Agent may deem necessary or desirable and not inconsistent with this Agreement, and which shall not adversely affect the rights of the Owners of the 2021 Bonds; and

(D) to make such additions, deletions or modifications as may be necessary or desirable to assure exemption from gross federal income taxation of interest on the 2021 Bonds from gross income of the owners thereof for federal income tax purposes.

The Fiscal Agent may in its discretion, but shall not be obligated to, enter into any such Supplemental Agreement authorized by this Section which materially adversely affects the Fiscal Agent's own rights, duties or immunities under this Fiscal Agent Agreement or otherwise with respect to the Bonds or any agreements related thereto.

Prior to the Fiscal Agent entering into any Supplemental Agreement hereunder, the City shall deliver to the Fiscal Agent an opinion of Bond Counsel stating, in substance, that such Supplemental Agreement is in compliance with the requirements of this Agreement and that such Supplemental Agreement will not, in and of itself, adversely affect the exclusion from gross income for purposes of federal income taxes of interest on the 2021 Bonds.

Section 8.02. Disqualified Bonds. 2021 Bonds owned or held for the account of the City, excepting any pension or retirement fund, shall not be deemed Outstanding for the purpose of any vote, consent or other action or any calculation of 2021 Bonds Outstanding provided for in this Article VIII, and shall not be entitled to vote upon, consent to, or take any other action provided for in this Article VIII; provided, however, that the Fiscal Agent shall not be deemed to have knowledge that any 2021 Bond is owned or held by the City unless the City is the

registered Owner or the Fiscal Agent has received written notice that any other registered Owner is an Owner for the account of the City.

Section 8.03. Effect of Supplemental Agreement. From and after the time any Supplemental Agreement becomes effective pursuant to this Article VIII, this Agreement shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations under this Agreement of the City and all Owners of 2021 Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Agreement shall be deemed to be part of the terms and conditions of this Agreement for any and all purposes.

Section 8.04. Endorsement or Replacement of Bonds Issued After Amendments. The City may determine that 2021 Bonds issued and delivered after the effective date of any action taken as provided in this Article VIII shall bear a notation, by endorsement or otherwise, in form approved by the City, as to such action. In that case, upon demand of the Owner of any 2021 Bond Outstanding at such effective date and presentation of his 2021 Bond for that purpose at the Principal Office of the Fiscal Agent or at such other office as the City may select and designate for that purpose, a suitable notation shall be made on such 2021 Bond. The City may determine that new 2021 Bonds, so modified as in the opinion of the City is necessary to conform to such Owners' action, shall be prepared, executed and delivered. In that case, upon demand of the Owner of any 2021 Bonds then Outstanding, such new 2021 Bonds shall be exchanged at the Principal Office of the Fiscal Agent without cost to any Owner, for 2021 Bonds then Outstanding, upon surrender of such 2021 Bonds.

Section 8.05. Amendatory Endorsement of Bonds. The provisions of this Article VIII shall not prevent any Owner from accepting any amendment as to the particular 2021 Bonds held by him, provided that due notation thereof is made on such 2021 Bonds.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits of Agreement Limited to Parties. Nothing in this Agreement, expressed or implied, is intended to give to any person other than the City, the Fiscal Agent and the Owners, any right, remedy, claim under or by reason of this Agreement. Any covenants, stipulations, promises or agreements in this Agreement contained by and on behalf of the City shall be for the sole and exclusive benefit of the Owners and the Fiscal Agent.

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Agreement or any Supplemental Agreement either the City or the Fiscal Agent is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Agreement contained by or on behalf of the City or the Fiscal Agent shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Discharge of Agreement. The City shall have the option to pay and discharge the entire indebtedness on all or any portion of the 2021 Bonds Outstanding in any one or more of the following ways:

(A) by well and truly paying or causing to be paid the principal of, and interest and any premium on, such 2021 Bonds Outstanding, as and when the same become due and payable;

(B) by depositing with the Fiscal Agent, in trust, at or before maturity, money which, together with the amounts then on deposit in the funds and accounts provided for in Sections 4.04 and 4.05 is fully sufficient to pay such 2021 Bonds Outstanding, including all principal, interest and redemption premiums; or

(C) by irrevocably depositing with the Fiscal Agent, in trust, cash and Federal Securities in such amount as the City shall determine as confirmed by Bond Counsel or an independent certified public accountant will, together with the interest to accrue thereon and moneys then on deposit in the fund and accounts provided for in Sections 4.04 and 4.05, be fully sufficient to pay and discharge the indebtedness on such 2021 Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

If the City shall have taken any of the actions specified in (A), (B) or (C) above, and if such 2021 Bonds are to be redeemed prior to the maturity thereof notice of such redemption shall have been given as in this Agreement provided or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice, then, at the election of the City, and notwithstanding that any 2021 Bonds shall not have been surrendered for payment, the pledge of the Special Taxes and other funds provided for in this Agreement and all other obligations of the City under this Agreement with respect to such 2021 Bonds Outstanding shall cease and terminate. Notice of such election shall be filed with the Fiscal Agent. Notwithstanding the foregoing, the obligation of the City to pay or cause to be paid to the Owners of the 2021 Bonds not so surrendered and paid all sums due thereon, all amounts owing to the Fiscal Agent pursuant to Section 7.05, and otherwise to assure that no action is taken or failed to be taken if

such action or failure adversely affects the exclusion of interest on the 2021 Bonds from gross income for federal income tax purposes, shall continue in any event.

Upon compliance by the City with the foregoing with respect to all 2021 Bonds Outstanding, any funds held by the Fiscal Agent after payment of all fees and expenses of the Fiscal Agent, which are not required for the purposes of the preceding paragraph, shall be paid over to the City and any Special Taxes thereafter received by the City shall not be remitted to the Fiscal Agent but shall be retained by the City to be used for any purpose permitted under the Act.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, declaration or other instrument which this Agreement may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered 2021 Bonds and the amount, maturity, number and date of holding the same shall be proved by the Bond Register.

Any request, declaration or other instrument or writing of the Owner of any 2021 Bond shall bind all future Owners of such 2021 Bond in respect of anything done or suffered to be done by the City or the Fiscal Agent in good faith and in accordance therewith.

Section 9.05. Waiver of Personal Liability. No Councilmember, officer, official, agent or employee of the City or the District shall be individually or personally liable for the payment of the principal of, or interest or any premium on, the 2021 Bonds; but nothing herein contained shall relieve any such Councilmember, officer, official, agent or employee from the performance of any official duty provided by law.

Section 9.06. Notices to and Demands on City and Fiscal Agent. Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the Fiscal Agent to or on the City may be given or served by being deposited postage prepaid in a post office letter box addressed (until another address is filed by the City with the Fiscal Agent) as follows:

City of Palmdale
38300 Sierra Highway, Suite D
Palmdale, CA 93550
Attention: Finance Manager/Treasurer

Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the City to or on the Fiscal Agent may be given or served by being deposited postage prepaid in a post office letter box addressed (until another address is

filed by the Fiscal Agent with the City) as follows (provided that any such notice shall not be effective until actually received by the Fiscal Agent):

U.S. Bank National Association
633 West Fifth Street, 24th Floor
Los Angeles, CA 90071
Attention: Global Corporate Trust
Reference: Palmdale CFD 05-1
(Trade and Commerce Center Area)

Section 9.07. State Reporting Requirements. The following requirements shall apply to the Bonds, in addition to those requirements under Section 5.17:

(A) Annual Reporting. Not later than October 30 of each calendar year, beginning with the October 30 first succeeding the date of the 2021 Bonds, and in each calendar year thereafter until the October 30 following the final maturity of the 2021 Bonds, the Finance Director shall cause the following information to be supplied to CDIAC: (i) the name of the City; (ii) the full name of the District; (iii) the name, title, and series of the 2021 Bond issue; (iv) any credit rating for the 2021 Bonds and the name of the rating agency; (v) the Closing Date of the 2021 Bond issue and the original principal amount of the 2021 Bond issue; (vi) the amount of the Reserve Requirement; (vii) the principal amount of 2021 Bonds Outstanding; (viii) the balance in the Reserve Fund; (ix) that there is no capitalized interest account for the 2021 Bonds; (x) the number of parcels in the District that are delinquent with respect to Special Tax payments, the amount that each parcel is delinquent, the total amount of Special Taxes due on the delinquent parcels, the length of time that each has been delinquent, when foreclosure was commenced for each delinquent parcel, the total number of foreclosure parcels for each date specified, and the total amount of tax due on the foreclosure parcels for each date specified; (xi) there is no Improvement Fund for the 2021 Bonds; (xii) the assessed value of all parcels subject to the Special Tax to repay the Bonds as shown on the most recent equalized roll, the date of assessed value reported, and the source of the information; (xiii) the total amount of Special Taxes due, the total amount of unpaid Special Taxes, and whether or not the Special Taxes are paid under the County's Teeter Plan (Chapter 6.6 (commencing with Section 54773) of the California Government Code); (xiv) the reason and the date, if applicable, that the 2021 Bonds were retired; and (xv) contact information for the party providing the foregoing information. The annual reporting shall be made using such form or forms as may be prescribed by CDIAC.

No later than January 31 of each calendar year (commencing January 31, 2022), the City shall provide to CDIAC the annual report information required by Section 8855(k)(1) of the California Government Code. The foregoing annual reports shall be made using such form or forms as may be prescribed by CDIAC.

Additionally, no later than January 31 of each calendar year (commencing January 31, 2022), the City shall provide to the California State Controller, Division of Accounting and Reporting, the annual report information required by Section 12463.2 of the California Government Code.

(B) Other Reporting. If at any time the Fiscal Agent fails to pay principal and interest due on any scheduled payment date for the 2021 Bonds, or if funds are withdrawn from the Reserve Fund to pay principal and interest on the 2021 Bonds, the Fiscal Agent shall notify the Finance Director of such failure or withdrawal in writing.

The Finance Director shall notify CDIAC and the Original Purchaser of such failure or withdrawal within 10 days of such failure or withdrawal.

(C) Special Tax Reporting. The Finance Director shall file a report with the City no later than January 1, 2022, and at least once a year thereafter, which annual report shall contain: (i) the amount of Special Taxes collected and expended with respect to the District, (ii) the amount of 2021 Bond proceeds collected and expended with respect to the District, and (iii) the status of the Project (if applicable, stating that the Project was completed many years ago). It is acknowledged that the Special Tax Fund is the account into which Special Taxes collected in the District will be deposited for purposes of Section 50075.1(c) of the California Government Code, and the funds and accounts listed in Article IV and the Escrow Fund are the funds and accounts into which 2021 Bond proceeds will be deposited for purposes of Section 53410(c) of the California Government Code, and the annual report described in the preceding sentence is intended to satisfy the requirements of Sections 50075.1(d), 50075.3(d) and 53411 of the California Government Code.

(D) Amendment. The reporting requirements of this Section 9.07 shall be amended from time to time, without action by the City or the Fiscal Agent (i) with respect to subparagraphs (A) and (B) above, to reflect any amendments to Section 53359.5(b) or Section 53359.5(c) of the Act, and (ii) with respect to subparagraph (C) above, to reflect any amendments to Section 50075.1, 50075.3, 53410 or 53411 of the California Government Code. The City shall notify the Fiscal Agent in writing of any such amendments which affect the reporting obligations of the Fiscal Agent under this Agreement.

(E) No Liability. None of the City and its officers, agents and employees, the Finance Director or the Fiscal Agent shall be liable for any inadvertent error in reporting the information required by this Section 9.07.

The Finance Director shall provide copies of any of such reports to any Bondowner upon the written request of a Bondowner and payment by the person requesting the information of the cost of the City to produce such information and pay any postage or other delivery cost to provide the same, as determined by the Finance Director.

Section 9.08. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Agreement shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Agreement. The City hereby declares that it would have adopted this Agreement and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Agreement may be held illegal, invalid or unenforceable.

Section 9.09. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any moneys held by the Fiscal Agent in trust for the payment and discharge of the principal of, and the interest and any premium on, the 2021 Bonds which remains unclaimed for two (2) years after the date when the payments of such principal, interest and premium have become payable, if such moneys was held by the Fiscal Agent at such date, shall be repaid by the Fiscal Agent to the City as its absolute property free from any trust, and the Fiscal Agent shall thereupon be released and discharged with respect thereto and the Owners shall look only to the City for the payment of the principal of, and interest and any premium on,

such 2021 Bonds. Any right of any Owner to look to the City for such payment shall survive only so long as required under applicable law.

Section 9.10. Applicable Law. This Agreement shall be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 9.11. Conflict with Act. In the event of a conflict between any provision of this Agreement with any provision of the Act as in effect on the Closing Date, the provision of the Act shall prevail over the conflicting provision of this Agreement.

Section 9.12. Conclusive Evidence of Regularity. 2021 Bonds issued pursuant to this Agreement shall constitute conclusive evidence of the regularity of all proceedings under the Act relative to their issuance and the levy of the Special Taxes.

Section 9.13. Payment on Business Day. In any case where the date of the maturity of interest or of principal (and premium, if any) of the 2021 Bonds or the date fixed for redemption of any 2021 Bonds or the date any action is to be taken pursuant to this Agreement is other than a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period from and after such date.

Section 9.14. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the City and the Fiscal Agent have caused this Fiscal Agent Agreement to be executed all as of June 1, 2021.

CITY OF PALMDALE, CALIFORNIA for and on behalf of CITY OF PALMDALE COMMUNITY FACILITIES DISTRICT NO. 05-1 (TRADE AND COMMERCE CENTER AREA)

By: _____
J. J. Murphy,
City Manager

U.S. BANK NATIONAL ASSOCIATION,
as Fiscal Agent

By: _____
Ashraf Almurdaah,
Vice President

16007.43:J17490

EXHIBIT A

FORM OF 2021 BOND

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

No. _____ $_____

CITY OF PALMDALE
COMMUNITY FACILITIES DISTRICT NO. 05-1
(TRADE AND COMMERCE CENTER AREA)
2021 SPECIAL TAX REFUNDING BOND

INTEREST RATE	MATURITY DATE	BOND DATE
_____%	September 1, 2037	June __, 2021

REGISTERED OWNER: WESTERN ALLIANCE BUSINESS TRUST, a Delaware statutory trust

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS

The City of Palmdale, California (the "City") for and on behalf of City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) (the "District"), for value received, hereby promises to pay solely from the Special Tax (as hereinafter defined) to be collected in the District or amounts in certain funds and accounts held under the Agreement (as hereinafter defined), to the registered owner named above, or registered assigns, on the maturity date set forth above, unless redeemed prior thereto as hereinafter provided, the principal amount set forth above, and to pay interest on such principal amount from the Bond Date set forth above, or from the most recent interest payment date to which interest has been paid or duly provided for, semiannually on March 1 and September 1, commencing September 1, 2021, at the interest rate set forth above, until the principal amount hereof is paid or made available for payment. The principal of this Bond is payable to the registered owner hereof in lawful money of the United States of America upon presentation and surrender of this Bond at the Principal Office (as defined in the Agreement referred to below) of U.S. Bank National Association, as fiscal agent (the "Fiscal Agent"). Interest on this Bond shall be paid by check of the Fiscal Agent mailed on each interest payment date to the registered owner hereof as of the close of business on the 15th day of the month preceding the month in which the interest payment date occurs (the "Record Date") at such registered owner's address as it appears on the registration books maintained by the Fiscal Agent, or upon written request filed with the Fiscal Agent prior to any Record Date by a registered owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to the depository for the Bonds or to an account in the United States designated by such registered owner in such written request, respectively. Notwithstanding the foregoing, so long as this Bond is owned by the Original Purchaser (as defined in the Fiscal Agent Agreement referred to below), payments on this Bond shall be made via wire transfer in accordance with written instructions provided by the Original Purchaser to the Fiscal Agent from time to time.

This Bond is one of a duly authorized issue of bonds in the aggregate principal amount of $_____ approved by the City Council of the City by Resolution No. CC 2021-054 adopted on June 1, 2021 (the "Resolution") pursuant to Sections 53311 et seq. of the California Government Code (the "Act") and Article 11 of Chapter 3 of Part 1 of Division 2 of the California Government Code, all for the purpose of refunding the Prior Bonds as defined in the Fiscal Agent Agreement No. A-7478, dated as of June 1, 2021, between the City and the Fiscal Agent (the "Agreement"), and is one of the Bonds designated "City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2021 Special Tax Refunding Bonds" (the "Bonds"). The creation of the Bonds and the terms and conditions thereof are provided for by the Resolution and the Agreement and this reference incorporates the Resolution and the Agreement herein, and by acceptance hereof the owner of this Bond assents to said terms and conditions. The Resolution is adopted and the Agreement is entered into under and this Bond is issued under, and all are to be construed in accordance with, the laws of the State of California.

Pursuant to the Act, the Agreement and the Resolution, the principal of and interest on this Bond are payable solely from the annual special tax authorized under the Act to be collected within the District (the "Special Tax") and certain funds and accounts held under the Agreement.

Interest on this Bond shall be payable from the interest payment date next preceding the date of authentication hereof, unless (i) it is authorized on an interest payment date, in which event it shall bear interest for such interest payment date, or (ii) such date of authentication is after a Record Date but on or prior to an interest payment date, in which event interest will be payable from such interest payment date, or (iii) such date of authentication is prior to the first Record Date, in which event interest will be payable from the Bond Date set forth above; provided however, that if at the time of authentication of this Bond, interest is in default hereon, this Bond shall bear interest from the interest payment date to which interest has previously been paid or made available for payment hereon.

Any tax for the payment hereof shall be limited to the Special Tax, except to the extent that provision for payment has been made by the City of Palmdale, as may be permitted by law. The Bonds do not constitute obligations of the City of Palmdale for which said City is obligated to levy or pledge, or has levied or pledged, general or special taxation other than described hereinabove.

The Bonds are subject to optional redemption prior to their stated maturity on any Interest Payment Date occurring on or after September 1, 2026, as a whole or in part by lot, at a redemption price (expressed as a percentage of the principal amount of the Bonds to be redeemed) as set forth below, together with accrued interest to the date fixed for redemption:

Redemption Date	Redemption Price
September 1, 2026 and March 1, 2027	103%
September 1, 2027 and March 1, 2028	102
September 1, 2028 and March 1, 2029	101
September 1, 2029 and any Interest Payment Date thereafter	100

The Bonds are subject to mandatory sinking payment redemption in part on September 1, 2021 and on each September 1 thereafter to maturity, by lot, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, from sinking payments as follows:

Redemption Date (September 1)	Sinking Payments
2021	$
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037 (maturity)	

The Bonds are also subject to redemption from the proceeds of Special Tax Prepayments and any corresponding transfers from the Reserve Fund pursuant to the Agreement, on any Interest Payment Date, in whole, or in part by lot, at a redemption price (expressed as a percentage at the principal amount of the Bonds to be redeemed), as set forth below, together with accrued interest to the date fixed for redemption:

Redemption Dates	Redemption Prices
March 1, 2022 through March 1, 2027	103%
September 1, 2027 and March 1, 2028	102
September 1, 2028 and March 1, 2029	101
September 1, 2029 and any Interest Payment Date thereafter	100

Notice of redemption with respect to the Bonds to be redeemed shall be given to the registered owners thereof, in the manner, to the extent and subject to the provisions of the Agreement. Notices of optional redemption may be conditioned upon receipt by the Fiscal Agent of sufficient moneys to redeem the Bonds on the anticipated redemption date, and if the Fiscal Agent does not receive sufficient funds by the scheduled redemption date the redemption shall not occur and the Bonds for which notice of redemption was given shall remain outstanding for all purposes of the Agreement.

The Bonds are issuable as fully registered Bonds without coupons in denominations of $1.00 or any integral multiple thereof. Subject to the limitations and upon payment of the charges, if any, provided in the Agreement, Bonds may be exchanged at the Principal Office of the Fiscal Agent for a like aggregate principal amount and maturity of Bonds of other authorized denominations.

Each registration and transfer of registration of this Bond shall be entered by the Fiscal Agent in books kept by it for this purpose and authenticated by its manual signature upon the certificate of authentication endorsed hereon.

No transfer or exchange hereof shall be valid for any purpose unless made by the registered owner, by execution of the form of assignment endorsed hereon, and authenticated as herein provided, and the principal hereof, interest hereon and any redemption premium shall be payable only to the registered owner or to such owner's order. The Fiscal Agent shall require the registered owner requesting transfer or exchange to pay any tax or other governmental charge required to be paid with respect to such transfer or exchange. No transfer or exchange hereof shall be required to be made (i) fifteen days prior to the date established by the Fiscal Agent for selection of Bonds for redemption, (ii) with respect to a Bond after such Bond has been selected for redemption, or (iii) between a Record Date and the succeeding Interest Payment Date. Exchanges may only be made for Bonds in authorized denominations, as provided in the Agreement. **Transfers of this Bond are further limited as provided in Section 2.06 of the Fiscal Agent Agreement.**

The Agreement and the rights and obligations of the City thereunder may be modified or amended as set forth therein. The Agreement contains provisions permitting the City to make provision for the payment of the interest on, and the principal and premium, if any, of the Bonds so that such Bonds shall no longer be deemed to be outstanding under the terms of the Agreement.

The Bonds are not general obligations of the City, but are limited obligations payable solely from the revenues and funds and accounts pledged therefor under the Agreement. Neither the faith and credit of the City or the State of California or any political subdivision thereof is pledged to the payment of the Bonds.

This Bond shall not become valid or obligatory for any purpose until the certificate of authentication and registration hereon endorsed shall have been dated and signed by the Fiscal Agent.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this Bond have existed, happened and been performed in due time, form and manner as required by law, and that the amount of this Bond does not exceed any debt limit prescribed by the laws or Constitution of the State of California.

IN WITNESS WHEREOF, City of Palmdale has caused this Bond to be dated the Bond Date set forth above, to be signed by the manual or facsimile signature of its Mayor and countersigned by the manual or facsimile signature of its City Clerk.

CITY OF PALMDALE, CALIFORNIA

By: _____
Mayor

ATTEST

By: _____
City Clerk

FISCAL AGENT'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the Resolution and in the Agreement which has been authenticated on _____.

U.S. BANK NATIONAL ASSOCIATION,
as Fiscal Agent

By: _____
Authorized Officer

ASSIGNMENT

For value received the undersigned hereby sells, assigns and transfers unto

_____

_____

_____
(Name, Address and Tax Identification or Social Security Number of Assignee)

the within-registered Bond and hereby irrevocably constitute(s) and appoints(s) _____attorney, to transfer the same on the registration books of the Fiscal Agent with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

_____

Note: Signature(s) must be guaranteed by an eligible guarantor.

_____

Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT B

FORM OF PURCHASER'S LETTER

[date of purchase or transfer]

City of Palmdale, California
38300 Sierra Highway
Palmdale, California 93550

U.S. Bank National Association
633 West Fifth Street, 24th Floor
Los Angeles, California 90071

Re: City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) 2021 Special Tax Refunding Bonds

Ladies and Gentlemen:

The undersigned (the "Purchaser"), being the purchaser of the above-referenced bonds (the "Bonds") issued pursuant to the Fiscal Agent Agreement (A-7478), dated as of June 1, 2021 (as amended, the "Agreement"), between the City of Palmdale, California (the "City") and U.S. Bank National Association (the "Fiscal Agent"), hereby certifies to the City and the Fiscal Agent as follows:

(a) The Bond is being acquired by the Purchaser for its own loan account and not with a present intent for any resale or distribution thereof, in whole or in part, to others; provided, however, that the Purchaser shall not be precluded from transferring or assigning its interest in the Bond in accordance with the terms and conditions set forth in the Agreement. The Purchaser is not participating, directly or indirectly, in a distribution of the Bond and will not take, or cause to be taken, any action that would cause the Purchaser to be deemed an "underwriter" of the Bond as defined in Section 2(11) of the Securities Act of 1933, as amended (the "Securities Act"). The Purchaser understands that the City has no obligation to register the Bond for resale under the Securities Act. The Purchaser further understands that the Bond is exempt from the registration requirements of the Securities Act. The Purchaser acknowledges that the City will not be entering into a continuing disclosure agreement pursuant to Section 15c2-12 of the Securities Exchange Act of 1934, as amended, with respect to the Bond; provided, however, that the City has agreed to provide certain ongoing information to the Purchaser as set forth in Section 5.17 of the Agreement.

(b) The Purchaser has received all information and other items of disclosure relating to the City, the City of Palmdale Community Facilities District No. 05-1 (Trade and Commerce Center Area) (the "District") and the Bond that the Purchaser has deemed necessary (the "Information Items") and, in connection therewith, has had access to all other materials, books, records, documents, and information relating to the City, the District and the Bond, and to its satisfaction has been able to verify the accuracy of, and supplement, the information contained therein.

(c) The Purchaser has had an opportunity to ask questions of, and receive satisfactory answers from, duly designated representatives of the City concerning the terms and conditions pursuant to which the transactions represented by the Bond and the Agreement have been made, and any request for such information has been fully complied with to the extent the City possesses such information or can acquire it without unreasonable effort or expense.

(d) The Purchaser has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks relating to the transaction evidenced by the Bond and has evaluated: (i) the information (including the information set forth in the Information Items) furnished to it by the City; (ii) the business and affairs of the City and/or the District; (iii) the records, files, and plans of the City, including such records, files and plans that pertain to the District, to all of which it or such representative has had full access; (iv) such additional information as it or such representative may have requested and have received from the City; and (v) the independent inquiries and investigations undertaken by it.

(e) The Purchaser certifies that it is an Approved Institutional Buyer, as defined in Section 1.03 of the Agreement.

(f) The Purchaser has made an independent investigation and evaluation of the financial condition and prospects of, and the risks associated with, the transaction evidenced by the Bond, or has caused such investigation and evaluation to be made by persons it deems competent to do so, and it has not relied upon the City in making its lending decision to purchase the Bond other than the Information Items.

(g) No person has given any information or made any representation not contained in any Information Items or otherwise provided to the Purchaser in writing by a person employed or authorized in writing by the City. The Purchaser understands and agrees that any information or representation not contained therein must not, and will not, be relied upon and that nothing contained therein should be construed as legal or tax advice to the Purchaser.

(h) No person has made any direct or indirect representation or warranty of any kind to the Purchaser with respect to the economic return which may accrue to the Purchaser. The Purchaser has consulted with its own counsel and other advisors with respect to its purchase of the Bond.

(i) The signatory of this letter is a duly authorized officer of the Purchaser with the authority to sign this letter on behalf of the Purchaser, and this letter has been duly authorized, executed, and delivered by the Purchaser.

(j) Inasmuch as the Bonds represents a negotiated transaction, the Purchaser is not acting as a fiduciary of the City, but rather is acting solely in its capacity as the Original Purchaser (as defined in the Agreement), for its own loan account. The City acknowledges and agrees that (i) the transaction contemplated herein is an arm's length commercial transaction between the City and the Purchaser and its affiliates, (ii) in connection with such transaction, the Purchaser and its affiliates are acting solely as a principal and not as an advisor including, without limitation, a "Municipal Advisor" as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the "Municipal Advisor Rules"), (iii) the Purchaser and its affiliates are relying on the purchaser exemption in the Municipal Advisor Rules,

(iv) the Purchaser and its affiliates have not provided any advice or assumed any advisory or fiduciary responsibility in favor of the City with respect to the transaction contemplated by the Bond and the discussions, undertakings and procedures leading thereto (whether or not the Purchaser, or any affiliate of the Purchaser, has provided other services or advised, or is currently providing other services or advising the City on other matters) and (v) the Purchaser and its affiliates have financial and other interests that differ from those of the City.

Dated: _____, _____

[Purchaser]

By: _____

Its: _____

City Council Staff Report

DATE: **June 1, 2021**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

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

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION CC 2021-044, A RESOLUTION OF INTENT OF THE CITY COUNCIL OF THE CITY OF PALMDALE PROPOSING TO ESTABLISH THE PALMDALE ENHANCED INFRASTRUCTURE FINANCING DISTRICT AND ESTABLISH A PUBLIC FINANCING AUTHORITY**

ISSUE

Adopt Resolution CC 2021-044, proposing to establish the Palmdale Enhanced Infrastructure Financing District (EIFD) and establish a Public Financing Authority (PFA).

RECOMMENDATION

Staff recommends that the City Council:

1. Adopt Resolution CC 2021-044, proposing to establish the Palmdale EIFD;
2. Establish a PFA and appoint members; and,
3. Authorize the City Manager or his designee to prepare and execute all necessary documents.

BACKGROUND

In response to the elimination of redevelopment agencies and to support sustainability goals, the State legislature passed California Senate Bill 628, effective January 1, 2015, and California Assembly Bill 313, effective January 1, 2016, creating an alternative path to use tax increment financing to fund public improvements, referred to as EIFD. EIFDs provide an opportunity for agencies to issue bonds for an array of public projects as well as support economic development efforts in specific areas. Tax increment financing (Part 1 of Division 2 of Title 5 of the Government Code), which is the basis for the EIFD, uses the growth in property tax revenues contributed by participating agencies (city, county, special district) to fund local or regional projects. EIFDs can fund public capital facilities, infrastructure improvements, maintenance for projects funded by the EIFD, or other specified projects of communitywide significance. The property tax increment revenue generated within the district does not add to existing property taxes or impose new taxes to property owners located in the district. The increased revenue from tax increment can be leveraged for additional

improvements through the issuance of bonds and/or applied to fund improvements on a “pay-as-you-go” basis from the date of formation. In addition, EIFD property tax revenues can be augmented by a variety of local taxes, state, or federal funding programs (e.g., Cap-and-Trade Program, Proposition 68 Parks & Water Bond Act, Economic Development Administration grants, etc.).

DISCUSSION

Participating Taxing Entities

Unlike Redevelopment, other affected taxing entities are not required to forgo their tax increment for the district. Each taxing entity that chooses to join an EIFD has the option to allocate up to 100% of its portion of tax increment to the District. The County of Los Angeles is a potential tax sharing entity, and the Resolution of Intent provides the ability for the County to join the EIFD. In January 2021, the City submitted an application to the County requesting participation in the EIFD. The application was reviewed by City staff and presented to the LA County Economic Development Policy Committee in March 2021. The LA County Board of Supervisors may consider approving a Resolution of Intent to partner with the City on the Palmdale EIFD in June 2021.

The City has met with the County of Los Angeles who is interested in partnering on the Palmdale EIFD as a taxing entity. The proposed partnership would include the County contributing a portion of future property tax increment to fund infrastructure projects in the Antelope Valley. LA County Public Works has provided a draft list of infrastructure projects that the County wants to include as part of the Palmdale EIFD. A complete list of infrastructure projects will be identified in the future Infrastructure Financing Plan (IFP) that will be approved by the PFA.

Resolution of Intent

The Resolution of Intent proposing the establishment of the Palmdale EIFD describes the following:

- The boundaries of the proposed Palmdale EIFD district planning area include 22,971 acres, including 4,140 acres located in unincorporated Los Angeles County (EXHIBIT A of RESOLUTION CC 2021-044). The areas included in the proposed district are primarily undeveloped and lack necessary infrastructure needed for development.

- The types of public facilities and development proposed to be financed by the Palmdale EIFD include approximately $176 million of infrastructure investments needed to support business attraction, job creation, local and regional transportation, and housing opportunities (EXHIBIT B of RESOLUTION CC 2021-044). Additional infrastructure projects highlighted in

the IFP will be funded based on the amount of tax increment generated by the Palmdale EIFD.

- The Palmdale EIFD is necessary to enable and accelerate the development of undeveloped and underdeveloped areas in the community. The areas identified in the proposed district will remain undeveloped due to the significant cost to build infrastructure needed to serve the sites. The Palmdale EIFD will prioritize and fund key infrastructure projects that are cost prohibitive due and prevent new development from occurring. These infrastructure investments will assist the City's efforts to create jobs, provide housing opportunities, and invest in local and regional transportation projects

- All City property tax increment revenue generated within the Palmdale EIFD boundary, above the base year, may be allocated to the Palmdale EIFD – an estimated $606 million of future City property tax increment is proposed to be dedicated to the Palmdale EIFD over a 50-year period. The Resolution of Intent also provides for the ability for Los Angeles County to join the Palmdale EIFD at a later date, although Los Angeles County contributing property tax increment in the future is at the discretion of the County Board of Supervisors.

Public Financing Authority

Under EIFD law, the EIFD PFA is the governing board of the Palmdale EIFD. Initially and pursuant to EIFD law, the PFA's membership is proposed to include three City Councilmembers, and two public members whose appointment will be approved by City Council at a future meeting.

Once the PFA is formed and the members are appointed, the PFA will review and facilitate public hearings on the IFP for the Palmdale EIFD. The Plan will include tax increment revenue projection updates, infrastructure to be financed with Palmdale EIFD funds, caps to the maximum tax increment revenue and bond authorization, and district formation and election cost information. The PFA is ultimately responsible for final adoption of an IFP for the Palmdale EIFD. Prior to final approval of an IFP by the PFA, the City Council will have an opportunity to review and approve the Plan. City Council approval of the IFP is required under the EIFD law for allocation of City property tax revenues to the Palmdale EIFD.

If the County agrees to participate in the Palmdale EIFD, then the PFA membership shall comprise of two members of the City Council, a public member selected by the Council, one member of the County Board of Supervisors, and a member of the public selected by the County. Members shall serve at the pleasure of their respective appointing legislative bodies.

Public Outreach

There are several steps in the EIFD formation process that require public outreach and participation. Under the EIFD law, the City Council must direct the City Clerk to mail a copy of the Resolution of Intent to each landowner within the Palmdale EIFD, each affected taxing entity, and the PFA. This will constitute the first public outreach. Subsequent mailings will include the draft IFP and related CEQA documentation and Notice of Public Hearing. Stakeholders will have the opportunity to voice their opinion to the PFA at the Public Hearing. Additionally, any issuance of bonds by the Palmdale EIFD in the future will involve public outreach.

Next Steps

The following are the key next steps involved in forming the proposed Palmdale EIFD:

- City Council adoption of Resolution of Intent to form EIFD, creating the EIFD PFA;
- City draft the IFP;
- Draft IFP distributed to property owners and affected taxing entities;
- PFA conducts three public hearings to approve IFP and form EIFD; and,
- Filing with Board of Equalization (BOE) per guidelines from Board for Change of Jurisdictional Boundaries.

Establishing the Palmdale EIFD will attract new private investment and accelerate development in key areas of the city, helping create new jobs, housing opportunities and local and regional transportation options for the region. The Palmdale EIFD creates a new revenue source to fund necessary infrastructure projects that helps accelerate $3.7 billion in potential new development and will create an estimated 39,000 (7,000 permanent) new jobs for the region. The areas being included in the Palmdale EIFD are largely undeveloped and currently lack infrastructure needed to attract new development projects.

The City has collaborated with the County of Los Angeles to establish the Palmdale EIFD. The partnership with the County will create additional revenue for the Palmdale EIFD and support the long-term development of unincorporated areas of Los Angeles County. Some of the infrastructure projects identified in the IFP will directly support existing employers at U.S. Air Force Plant 42 and support future development adjacent to Plant 42.

FISCAL IMPACT

The City's consultant conducted a baseline tax increment analysis to determine the Palmdale EIFD revenue potential based on estimated future development potential. Actual tax increment revenues are subject to changes in the types and timing of development and the real estate market. Based on a total new development value of approximately $3.7 Billion, if the City contributes 100% of its share of property tax increment (average 17.5 cents on the dollar) within the Palmdale EIFD, revenues will total $606 million over 50 years.

While the Palmdale EIFD would benefit from a new dedicated revenue source for infrastructure improvements, formation of the Palmdale EIFD results in a reallocation of incremental property tax revenue from the City's General Fund. Once the Palmdale EIFD terminates in 50 years, incremental property tax revenue would no longer be allocated to the Palmdale EIFD and will flow back into the City's General Fund. The aforementioned tax increment projections are based upon various assumptions made utilizing the future growth potential of the residential, commercial, and industrial development sectors in the area.

STRATEGIC PLAN

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

D. Pursue alternative financing opportunities for continued infrastructure improvements and qualify community programs.

Prepared by:	Carlene Saxton, Director of Economic and Community Development
Certified as to availability of Funds:	Keith Kang, Finance Manager
Approved by:	J.J. Murphy, ICMA-CM, City Manager
Approved as to form:	Christopher Beck, City Attorney

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2021-044

A RESOLUTION OF INTENT OF THE CITY COUNCIL OF THE CITY OF PALMDALE PROPOSING TO ESTABLISH THE PALMDALE ENHANCED INFRASTRUCTURE FINANCING DISTRICT AND ESTABLISH A PUBLIC FINANCING AUTHORITY

WHEREAS, pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Section 53398.50) (the EIFD Law), the City Council of the City of Palmdale (Council) is authorized to initiate the process to establish an Enhanced Infrastructure Financing District (EIFD);

WHEREAS*,* in accordance with Section 53398.54, the City has complied with the prerequisites prior to initiating the creation of or participating in the governance of the EIFD and will provide the required certification to the Department of Finance in accordance with EIFD Law;

WHEREAS*,* the Council proposes the establishment of an EIFD to finance certain capital improvements (EXHIBIT B);

WHEREAS, the proposed boundaries of the EIFD are identified on a map entitled "Proposed Boundaries of City of Palmdale EIFD" (EXHIBIT A);

WHEREAS, the EIFD will be formed by a Public Finance Authority (PFA) which will be the governing board of the EIFD and will be responsible for implementing the Infrastructure Financing Plan (IFP); and,

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

SECTION 1. Recitals. The above recitals are true and correct and incorporated into this Resolution by this reference.

SECTION 2. Boundaries. The boundaries of the proposed Palmdale EIFD district planning area include 22,971 acres, including 4,140 acres located in unincorporated Los Angeles County (EXHIBIT A of RESOLUTION CC 2021-044). The areas included in the proposed district are primarily undeveloped and lack necessary infrastructure needed for development.

SECTION 3. Description of Facilities. The types of public facilities and development proposed to be financed by the Palmdale EIFD include approximately $176 million of infrastructure investments needed to support business attraction, job creation, local and regional transportation, and housing opportunities (EXHIBIT B of RESOLUTION CC 2021-044). Additional infrastructure projects highlighted in the IFP will be funded based on the amount of tax increment generated by the Palmdale EIFD.

SECTION 4. Necessity of EIFD and Goal. The Palmdale EIFD is necessary to enable and accelerate the development of undeveloped and underdeveloped areas in the community. The areas identified in the proposed district will remain undeveloped due to the significant cost to build infrastructure needed to serve the sites. The Palmdale EIFD will prioritize and fund key infrastructure projects that are cost prohibitive due and prevent new development from occurring. These infrastructure investments will assist the City's efforts to create jobs, provide housing opportunities, and invest in local and regional transportation projects.

SECTION 5. EIFD Funding. All City property tax increment revenue generated within the Palmdale EIFD boundary, above the base year, may be allocated to the Palmdale EIFD – an estimated $606 million of future City property tax increment is proposed to be dedicated to the Palmdale EIFD over a 50-year period. The Resolution of Intent also provides for the ability for Los Angeles County to join the Palmdale EIFD at a later date, although Los Angeles County contributing property tax increment in the future is at the discretion of the County Board of Supervisors.

SECTION 6. Public Hearing. The Council hereby establishes July 20, 2021, or as soon as possible thereafter as the matter may be heard, at the Council Chambers, 38300 Sierra Highway, Suite C, Palmdale, California, as the time and place, when and where the PFA will conduct a public hearing on the proposed establishment of the Palmdale EIFD and the IFP.

SECTION 7. Mailing and Publication of Notice. Pursuant to Section 53398.60, the City Clerk is hereby directed to mail a copy of this Resolution to the PFA and each owner of land (as defined in the EIFD Law), or alternatively with respect to the owners of land may mail a single-page notice of intention identified in Section 53398.60(b), within the Palmdale EIFD and to each affected taxing entity (as defined in the EIFD Law). In addition, the City Clerk is hereby directed to cause notice of the public hearing to be published not less than once a week for four successive weeks in a newspaper of general circulation published in the City. The notice shall state that the Palmdale EIFD will be used to finance public works, briefly describe the Facilities, briefly describe the proposed financial arrangements, including the proposed commitment of incremental tax revenue, describe the boundaries of the proposed Palmdale EIFD and state the day, hour, and place, when and where any persons having any objections to the proposed IFP, or the regularity of any of the prior proceedings, may appear before the PFA and object to the adoption of the proposed IFP.

SECTION 8. Successor Agency Findings of Completion. The City solely in its capacity as the designated successor agency to the former Redevelopment Agency of the City of Palmdale, has received a finding of completion, dated as of December 16, 2015, as specified in California Health and Safety Code Section 34179.7.

SECTION 9. Department of Finance Certification. In accordance with Section 53398.54, the City certifies to the California Department of Finance (DOF) and to the PFA that no former Redevelopment Agency of the City of Palmdale (Former RDA) assets that are the subject of litigation involving the State of California, where the City or the Successor Agency are a named plaintiff, have been or will be used to benefit any efforts of the Palmdale EIFD. The City Clerk is authorized and directed on behalf of the City to provide or make this certification to the DOF within 10 days after the date of adoption of this Resolution, by delivery of a copy of this Resolution or signing a separate certification, if and as required by the DOF.

SECTION 10. State Controller Review. The State Controller has completed its review as specified in California Health and Safety Code section 34167.5 of asset transfers between the Former Redevelopment Agency, the City, or any other public agency. The Successor Agency and the City have complied with all the State Controller's findings and orders stemming from such review.

SECTION 11. Current EIFD Law. It is the intent of the Council that the formation of the Palmdale EIFD shall proceed under the now existing and current EIFD Law as effective on the date of this Resolution.

SECTION 12. Severability. If any section, subsection, phrase, or clause of this Resolution is for any reason found to be invalid, such section, subsection, phrase, or clause shall be severed from, and shall not affect the validity of, all remaining portions of this Resolution that can be given effect without the severed portion.

SECTION 13. General Authorization. The City Clerk and all other officers and agents of the City are hereby authorized and directed to take all actions necessary or advisable to give effect to the transactions contemplated by this Resolution.

SECTION 14. Effective Date. This resolution shall be effective immediately upon its adoption.

SECTION 15. Certify. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this 1st day of June, 2021.

Approved as to form:

Steven D. Hofbauer, Mayor

ATTEST:

Christopher L. Beck
City Attorney

Shanae S. Smith, City Clerk

I, Shanae S. Smith, 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 1st day of June, 2021 by the following roll call vote:

AYES: _____

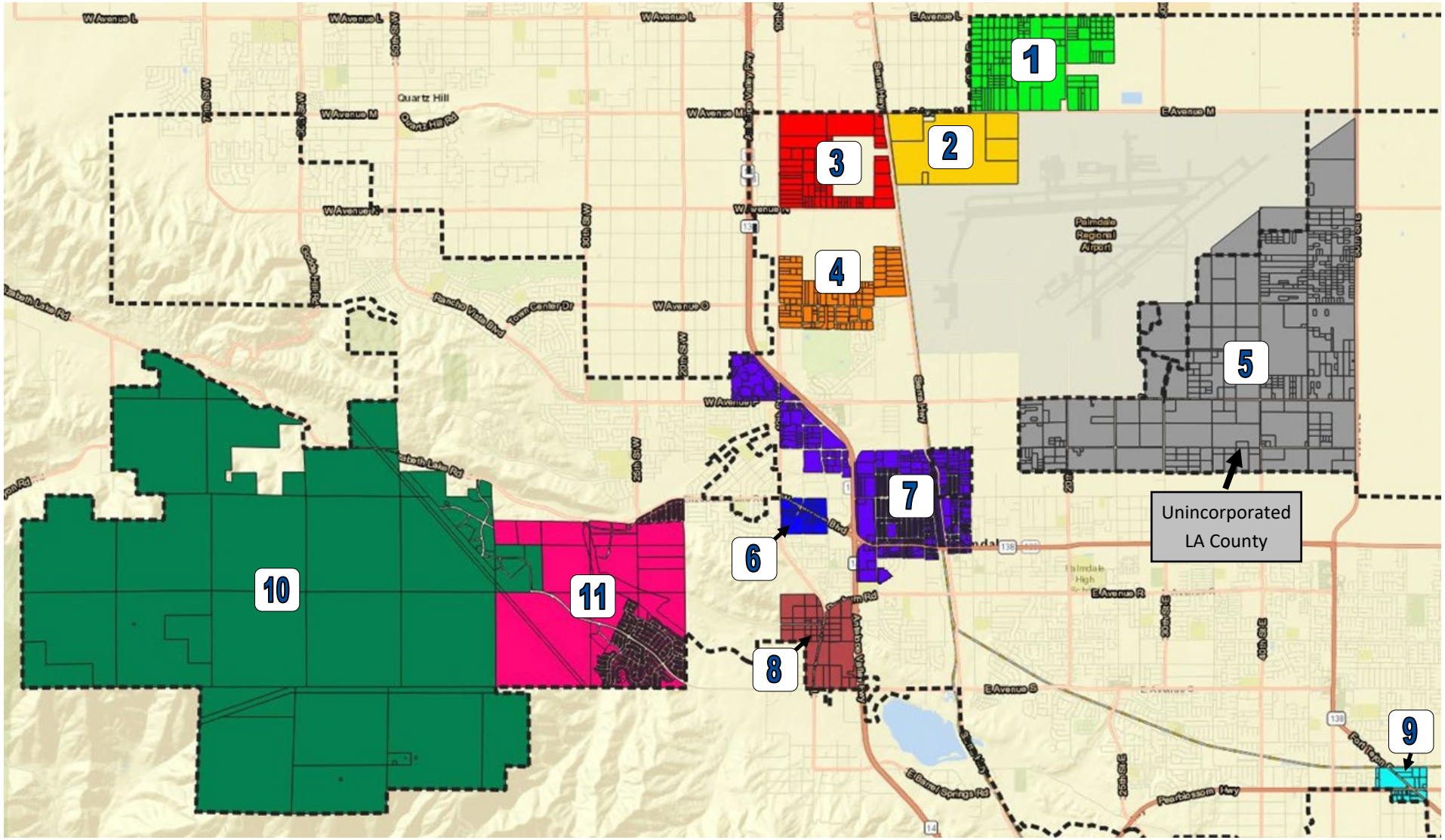
NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Shanae S. Smith, City Clerk

Exhibit A

Proposed Boundaries of City of Palmdale EIFD



Area A – Palmdale Aerospace Corridor		
1	The Hangar District	880
2	Palmdale Aerospace Village	646
3	Runway Industrial Center	550
4	Flight Path Industrial Park	512
5	Plant 42 Industrial Park	4,212
Total Acres		**6,800**

Area B – Palmdale Commercial Centers		
6	Palmdale Medical Campus	107
7	Golden Spike District (TOD/OZ)	1,618
8	Pelona Vista Parkway (Mixed Use)	373
9	Four Points Gateway (Mixed use)	108
Total Acres		**2,206**

Area C – Las Colinas		
10	Ritter Ranch (Residential)	10,819
11	Anaverde (Residential)	3,146
Total Acres		**13,965**

TOTAL ACRES (Area A, B & C): 22,971

Exhibit B
Description of Facilities

The Palmdale EIFD will finance the purchase, construction, expansion, improvement, seismic retrofit, or rehabilitation of any real or other tangible property with an estimated useful life of 15 years or longer and are projects of communitywide significance that provide significant benefits to the district or the surrounding community. The Palmdale EIFD may also finance the ongoing or capitalized costs to maintain public capital facilities financed in whole or in part by the Palmdale EIFD. Any facilities located outside the boundaries of the Palmdale EIFD shall also have a tangible connection to the work of the Palmdale EIFD as detailed in the infrastructure financing plan. The Palmdale EIFD will also finance planning and design activities that are directly related to the purchase, construction, expansion, or rehabilitation of these projects. The Palmdale EIFD may finance costs described in Government code sections 53398.52, 53398.56 and 53398.57. Projects financed by the Palmdale EIFD may include, but not limited to, all the following:

- Highways, interchanges, ramps and bridges, arterial streets, parking facilities, bicycle lanes, and transit facilities;
- Parks, recreational facilities, and open space;
- Sewage treatment and water reclamation plants and infrastructure;
- Facilities for the collection and treatment of water for urban uses;
- Facilities for the transfer and disposal of solid waste;
- Storm water conveyance and collection facilities;
- Flood control, retention basins, detention basins, and drainage channels;
- Broadband and telecommunications infrastructure;
- Sidewalks and streetscape improvements including pedestrian paths;
- Public art
- Fire and Police facilities;
- Brownfield restoration and other environmental mitigation;
- Affordable housing as authorized under the EIFD Law
- Projects that implement a sustainable communities strategy; and
- Acquisition, construction, or repair of industrial structures for private use.

Other Expenses

In addition to the direct costs of the above facilities, other incidental expenses as authorized by the EIFD Law, including, but not limited to, the cost of environmental evaluation and environmental remediation; engineering and surveying; construction staking; utility relocation and demolition costs incidental to the construction of the facilities; costs of project/construction management; costs (including the costs of legal services) associated with the creation of the EIFD; issuance of bonds or other debt; costs incurred by the County or the EIFD in connection with the division of taxes pursuant to Government Code section 53398.75; or costs otherwise incurred in order to carry out the authorized purposes of the EIFD; reimbursements to other areas for facilities serving the EIFD; and any other expenses incidental to the formation and implementation of the EIFD and to the construction, completion, inspection and acquisition of the authorized facilities.

CITY OF PALMDALE
OFFICE OF THE CITY COUNCIL

M E M O R A N D U M

TO: City Clerk

FROM: Laura Bettencourt, Mayor Pro Tem

SUBJECT: Monthly Informational Report – Events and Meetings

DATE: May 27, 2021

During the period May 1, through May 27, 2021, I attended the following meetings and events:

May 1: We Build Team Event

May 3: LASD Captain Meeting

May 4: Council Meeting

May 5: Spanish Talk Radio

May 10: Special Palmdale/Lancaster City Council Joint Meeting

May 11: Peace Officers Memorial Day Event

May 13: Constituent Meet and Greet

May 17: Mental Health Town Hall

May 18: City Council Workshop

May 19: Walking Wednesdays and Workforce Housing Meeting

May 27: Grill and Chill Staff Picnic

CITY OF PALMDALE
OFFICE OF THE CITY COUNCIL

M E M O R A N D U M

TO: City Clerk

FROM: Austin Bishop, Councilmember

SUBJECT: Monthly Informational Report – Events and Meetings

DATE: May 27, 2021

During the period May 1, through May 27, 2021, I attended the following meetings and events:

May 1: We Build Event

May 10: Special Palmdale/Lancaster City Council Joint Meeting

May 11: Peace Officers Memorial Day Event

May 12: AV Sheriffs Booster Meeting

May 18: AVAQMD Meeting, City Council Workshop

May 19: Walking Wednesdays

May 26: General Plan Housing Meeting, City Council Briefing, and Walking Wednesdays

May 27: Grill and Chill Staff Picnic

- Every Saturday city wide trash clean up – ongoing.

CITY OF PALMDALE
OFFICE OF THE CITY COUNCIL

M E M O R A N D U M

TO: City Clerk

FROM: Juan Carrillo, Councilmember

SUBJECT: Monthly Informational Report – Events and Meetings

DATE: May 27, 2021

During the period May 1, through May 27, 2021, I attended the following meetings and events:

May 6: SCAG Regional Council Meeting

May 10: Special Palmdale/Lancaster City Council Joint Meeting

May 21: SALVA Meeting

May 18: City Council Workshop