PALMDALE

a place to call home

CITY COUNCIL MEETING
SUCCESSOR AGENCY/HOUSING AUTHORITY
PALMDALE CIVIC AUTHORITY/
PALMDALE FINANCING AUTHORITY
CITY COUNCIL CHAMBERS
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CA 93550
WEDNESDAY, JUNE 1, 2022
5:00 PM
7:00 PM
www.cityofpalmdale.org

WELCOME

The Council Chamber is open for in-person public comment and seating.

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:

VERBAL PUBLIC COMMENT DURING THE MEETING – ZOOM Number: US: +1 253 215 8782 Webinar ID: 822 4378 3983 Passcode: 866014

Webinar attendee link https://us06web.zoom.us/j/82243783983?pwd=Z1JqVXlEdlcvaUNhc1FYMThrMXJiQT09.

Verbal comments must be limited to three (3) 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 contact the City Clerk's Office at (661) 267-5151 at least 72 hours prior to the meeting.

If you require oral Spanish translation, please contact the City Clerk's Office at (661) 267-5151 at least 72 hours prior to the meeting.

Your courtesy is requested to help our meetings run smoothly. If you'll be kind enough to follow these simple rules, we can make the best possible use of your time and ours:

- Please refrain from public displays or outbursts, such as unsolicited applause, comments, cheering, foul language or obscenities.
- Any disruptive activities that substantially interfere with the ability of the City Council to carry out its meeting will not be permitted and offenders will be asked to leave the meeting.
- Please turn off/mute your cell phones and mobile devices.

5:00 P.M.

1. **MAYOR TO CALL MEETINGS TO ORDER**

2. **ROLL CALL**
   MAYOR HOFBAUER, MAYOR PRO TEM LOA,
   COUNCILMEMBERS CARRILLO, BISHOP, BETTENCOURT

3. **PUBLIC COMMENTS**
   Pursuant to Government Code section 54954.3, members of the public are provided the opportunities to address the City Council. You may address the Council once per meeting during Public Comments on any matter within the Council's jurisdiction that is not listed on the agenda. Please submit a Speaker's Form card to the City Clerk **BEFORE** this portion of the meeting begins. To address the Council regarding an item on the agenda, please fill out a Speaker's Form card and submit it to the City Clerk **BEFORE** the Mayor announces the item. Each person addressing the Council is given up to three minutes to speak (with double the time allotted to non-English speakers using a translator). If you wish to provide information to the Council, please present the City Clerk with 7 copies. Otherwise, your materials will simply be added to the administrative record. 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.

4. PRESENTATION BY CITY ATTORNEY

4.1 CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
Ricci v. City of Palmdale, et al.
Los Angeles County Superior Court
Case No. 22STCV01269
This closed session is being held pursuant to the authority of California Government Code Section 54956.9(d)(1).

4.2 CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
CV Communities v. AVEK, et al.
Los Angeles County Superior Court
Case No. 20STCV10953
This closed session is being held pursuant to the authority of California Government Code Section 54956.9(d)(1).

4.3 CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
The existing facts and circumstances that constitute a significant exposure to litigation are detailed in the following claim received by the City, which is available for public inspection pursuant to Government Code Section 54957.5:

Claimant: Shanae Smith
City Claim No.: 2022-005
Date Filed: 1/10/22
Date of Loss: Various

4.4 CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
The existing facts and circumstances that constitute a significant exposure to litigation are detailed in the following claim received by the City, which is available for public inspection pursuant to Government Code Section 54957.5:

Claimant: Patricia Nevarez
City Claim No.: 2022-005
Date Filed: 1/27/22
Date of Loss: Various

4.5 CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
The existing facts and circumstances that constitute a significant exposure to litigation are detailed in the following claim received by the City, which is available for public inspection pursuant to Government Code Section 54957.5:

Claimant: Michael Behen
City Claim No.: 2022-008
Date Filed: 02/09/22
Date of Loss: Various

4.6 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 Section 54956.9(d)(1).

4.7 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 Avenue M and 10th Street West:

Property Owner: Successor Agency to the Community Redevelopment Agency of the City of Palmdale
Property: APN 3128-015-900 & 902
City Negotiator: Luis Garibay

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.

5. **ANNOUNCEMENT BY CITY ATTORNEY**

6. **ADJOURN CLOSED SESSION MEETING**

<u>7:00 P.M.</u>

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

8. **ROLL CALL**
MAYOR/CHAIR HOFBAUER, MAYOR PRO TEM/VICE CHAIR LOA, COUNCILMEMBERS/DIRECTORS/COMMISSIONERS CARRILLO, BISHOP, BETTENCOURT, FRAGA-SAENZ, DENNY

9. **PRESENTATIONS**

9.1 Presentation of a cute critter available for adoption at the Palmdale Animal Care Center.

9.2 Presentation of Certificates of Recognition by Mayor and Council to the 2022 Rancho Vista Queens.

- Miss Rancho Vista 2022 Lyn ‘ Aya Gipson
- Teen Miss Rancho Vista 2022 Kaylee Crumlish
- Jr Miss Rancho Vista 2022 Nichole Wilson
- Young Miss Rancho vista 2022 Elexia Jimenez
- Little Miss Rancho Vista 2022 Aurora Aguilar
- Tiny Miss Rancho Vista 2022 Penelope Avila

9.3 Presentation of a Proclamation by Mayor and Council declaring June as LGBTQ Pride Month in the City of Palmdale.

9.4 Presentation of a Proclamation by Mayor and Council declaring June 14th as Flag Day in the City of Palmdale.

9.5 Presentation of a Proclamation by Mayor and Council declaring June 13th – 19th International Men’s Health Week in the City of Palmdale.

9.6 Presentation of a Proclamation by Mayor and Council declaring June19th as Juneteenth in the City of Palmdale.

10. **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. (Voice Vote - Requires a majority to waive.)

11. **PUBLIC COMMENTS**
Pursuant to Government Code section 54954.3, members of the public are provided the opportunities to address the City Council/Housing Authority. You may address the Council/Authority once per meeting during Public Comments on any matter within the Council's/Authority's jurisdiction that is not listed on the agenda. Please submit a Speaker's Form card to the City Clerk **BEFORE** this portion of the meeting begins. To address the Council/Authority regarding an item on the agenda, please fill out a Speaker's Form card and submit it to the City Clerk **BEFORE** the Mayor/Chair announces the item. Each person addressing the Council/Authority is given up to three minutes to speak (with

double the time allotted to non-English speakers using a translator). If you wish to provide information to the Council/Authority, please present the City Clerk with 7 copies. Otherwise, your materials will simply be added to the administrative record. 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.

12. **HOUSING AUTHORITY CONSENT CALENDAR**

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

12.1 Adopt Resolution No. HA 2022-003, a resolution of the Housing Authority of the City of Palmdale, approving the amendment of agreement 07-IIG-4212 with the State of California Department of Housing and Community Development for the Proposition 1-C Infill Infrastructure Grant Program. (Staff Reference: Director Neighborhood Services Miller - Presented by Housing Manager Reyes)

1a_SR_HA_RESO_HA_2022-003.docx
1b Reso HA 2022-003.docx

12.2 Receive and File the Annual Financial Report for the year ended June 30th, 2021 for The Housing Authority of the City of Palmdale. (Staff Reference: Director of Finance Samson)

Staff_Report_ACFR_06.30.21_-_Housing_Authority.docx
TC-City of Palmdale FY21 - Housing Authority.pdf

12.3 Approve the minutes from previous meetings. (Staff Reference: Authority Secretary Smith)

HA - March 16, 2022
HA - April 6, 2022

HA 03 16 2022.pdf
HA 04 06 2022.pdf

13. **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.

13.1 Receive and File the Monthly Investment activity reports for April 2022. (Staff Reference: Director of Finance Samson)

Staff_Report_-_Investment_Report_April_2022.docx

10 April 2022 Investment Rpt City & Successor Agency.pdf

13.2 Approve agreement with Turner Consulting and Actuarial, LLC., to provide actuarial services in an amount not to exceed $ 111,000.00 for a three (3) year term with the option to extend for two (2) additional years. (Staff Reference: Director of Finance Samson)

Turner_Consulting_Staff_Report.docx
2022.04.28 Palmdale Agreement Signed_000173.pdf

13.3 Receive and File the Annual Financial Reports for the year ended June 30th, 2021 for the Palmdale Civic Authority, the Palmdale Financing Authority, and the Palmdale Community Foundation. (Staff Reference: Director of Finance Samson)

Staff_Report_ACFR_06.30.21_-_City_Council.docx
PCA Annual Financial Statement_Final 6.30.21pdf.pdf
PFA Financial Statement_Final_6.30.21.pdf
Palmdale Community Foundation Financials_Final.pdf

13.4 Approve the City of Palmdale's 2022 Five-Year Capital Improvement Plan. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

5 year CIP staff report.docx
2022 Condensed Project List.pdf
CIP Plan 2022 revised 5.25.22.pdf

13.5 Adopt Resolution No. CC 2022-039, a Resolution of the City Council of the City of Palmdale of intention to continue assessments for Fiscal Year 2022/2023, 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 - Presented by Deputy Director of Public Works Glidden)

Palmdale_DBAD_-_Staff_Report_6-1-22_v2.docx
Palmdale DBAD - Res 2 #CC 2022-039 for 6-1-22.doc
Drainage Engineers Report FY 2022-23.pdf

13.6 Adopt Resolution No. CC 2022-040, a Resolution of the City Council of the City of Palmdale of intention to continue assessments for Fiscal Year 2022/2023, preliminarily approving the annual Engineer's Reports and providing for Notice of Hearing for the City of Palmdale Landscape Maintenance Assessment Districts and Annexations, Park Maintenance and Recreation Improvement District, and Streetlight Maintenance Assessment Districts and Annexations. (Staff Reference: Director of Public Works Heffernan)

Palmdale_L_Ls_-_Staff_Report_6-1-22_v2.docx
Palmdale L&Ls - Res 2 #CC 2022-040 for 6-1-22.doc
LMD Engineers Report FY 2022-23.pdf
Park Engineers Report FY 2022-23.pdf

Streetlight Engineers Report FY 2022-23.pdf

13.7 Adopt Resolution No. CC 2022-060, a Resolution of the City Council of the City of Palmdale declaring it's intention to establish a community facilities district and to authorize the levy of special tax therein for citywide maintenance and services. (Staff Reference: Director of Public Works Heffernan)

Palmdale CFD 2022-1 Intent Meeting Staff Report_Final.doc
Reso CC 2022-060 Intent to Establish.docx
Palmdale CFD 2022-1 Boundary Map_FINAL_Rev.pdf

13.8 Notice of Completion - Accept Public Improvements for Palmdale Senior Living located at West Rancho Vista Boulevard & Town Center Drive. (Staff Reference: Director of Public Works Heffernan)

SR-06012022 19-44.docx
EXHIBIT A 19-44.docx
EXHIBIT B.docx
Signed NOC.pdf

13.9 Authorize Purchase Order No. 20220479 with Generac Power Systems, Inc. for PN 804, Emergency Generator, in the amount of $109,904. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

Staff Report PN 804 - SAVES Emergency Generator.docx

13.10 Approve Amendment No. 2 for PN 826, the Palmdale Regional Recreation Complex, with Barker Rinker Seacat Architecture in the amount of $20,280. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

Staff Report - Approval BRS Amendment #1 (A-7541).docx
Supplemental Agreement 2.pdf

13.11 Award construction agreement with Manhole Adjusting Inc. for PN 847, 2022 Local Street & Minor Arterial Resurfacing Project, in the amount of $6,937,785.50 for a term of 60 working days from the date of the Notice to Proceed. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

Staff_Report_PN_847_-_2022_Street_Resurf_-_v2.docx
PN 847 map for award SR for A-7894 ATTACHMENT 01 Citywide Project Map.pdf

13.12 Adopt Resolution No. CC 2022-054, a Resolution of the City Council of the City of Palmdale to adopt a list of projects for Fiscal Year 2022-2023 to be funded by SB 1: The Road Repair and Accountability Act of 2017. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

Resolution_2022-054_staff_report.docx

Resolution 2022-054.doc

13.13 Adopt Resolution No. CC 2022-068, a Resolution of the City Council of the City of Palmdale declaring its intention to conduct a public hearing to consider the vacation of a segment of 6th Street East (100 Feet South of Sierra Highway to 220 Feet North of Avenue P-14) and the reservation of the utility easements therein. (Staff Reference: Director of Public Works Heffernan)

SR_Resolution_CC_2022-068.doc
Resolution CC 2022-068 Intention to Vacate.doc
Exhibit A (-912, -913).pdf
Exhibit B (-904).pdf
Exhibit C (-905).pdf
Exhibit D (-908).pdf

13.14 Approve 32 fireworks booth permits for non-profit organizations. (Staff Reference: Director of Economic and Community Development Garibay)
Staff Report Fireworks 2022.docx
05-09-2022_GIS_00124-08_Fireworks_Map_2022_Citywide.pdf

13.15 Approve Cost-Sharing Agreement between the City of Palmdale and the Antelope Valley Mall, LLC/CBRE and Harris AVM, LLC for a reimbursement amount of $120,000 for the three (3) year term of the agreement. (Staff Reference: Director of Neighborhood Services Miller - Presented by Neighborhood Services Specialist Nichols)
Staff_Report_AV_Mall (2).docx
A-7941 AV Mall Agreement 3 yr.pdf

13.16 Approve the minutes from the previous meetings. (Staff Reference: City Clerk/Agency Secretary Smith)

CC - April 20, 2022
CC/SA - May 4, 2022
04 20 2022 Minutes CC.pdf
05 04 2022 Minutes CC-SA.pdf

14. PUBLIC HEARING

14.1 Public Hearing to hear public comments and review proposal to amend the 2019-2020 Action Plan to reprogram Community Development Block Grant COVID (CDBG-CV) funds in the amount of $207,510 from the Economic Opportunity Program CV and $23,990 from the Mortgage Assistance CDBG CV to SAVES CV in the amount of $231,500. (Staff Reference: Director of Neighborhood Services Miller - Presented by Housing Manager Reyes)

SR-_CC_CDBG_CV_Reprogram_5.11.22.docx

15. **APPOINTMENTS**

15.1 Approve Reappointment to the Board of Library Trustees. (Staff Reference: City Clerk Smith)
6_1_2022_Approve_Nomination__Reappointment_Library.docx
Ordinance No. 1561.pdf

15.2 Approve Reappointments of Planning Commissioners to the Planning Commission. (Staff Reference: City Clerk Smith)
6_1_2022_Planning_Commission_reappointments.docx

15.3 Approve Reappointments to the Mobile Home Park Rental Review Board. (Staff Reference: City Clerk Smith)
6_1_2022_Reappointment__Mobile_Home_Board (4).docx
Ordinance No. 1561.pdf

16. **NEW BUSINESS**

16.1 Award Measure AV Grant Program Funding, totaling $1,306,810, to grantees in Exhibit A and authorize Interim City Manager to enter into agreements ranging from $2,000 to $250,000. (Staff Reference: Interim City Manager Perez, Deputy Director of Parks and Recreation Dombrowski and Management Analyst Kelley)
Staff_Report-Award_Measure_AV_Grant_Funding_06012022_FINAL.docx
EXHIBIT A-Awardee List
Measure AV Final Report PPT 06012022.pptx

16.2 Discuss potential amendment to Palmdale Municipal Code Section 2.08.040 regarding regular meetings, including meeting times, public comment periods, and meeting organization.

16.3 Adopt Resolution Nos. CC 2022-056, CC 2022-057, and CC 2022-058 Initiating the Tuesday, November 8, 2022 City of Palmdale City Council General Municipal Election. (Staff Reference: City Clerk Smith)

6_1_2022_Resolutions_Initiating_Nov_8_2022_Election.docx
Reso CC 20222-056 Calling for Holding Election.doc
Reso CC 2022-057 Candidate Statements.doc
Reso. CC 2022-058 Consolidate Election.doc

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

17.1 COMMITTEE MEMBERSHIPS.

- 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

17.2 MEETINGS ATTENDED AT PUBLIC EXPENSE
Bettencourt Informational Report 060122.docx

18. **CITY MANAGER'S REPORT**

19. **CITY COUNCIL REQUESTS FOR NEW AGENDA ITEMS**

20. **Adjourn meeting to June 15, 2022 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, 2022**

TO: **HONORABLE CHAIR AND COMMISSIONERS**

FROM: **NEIGHBORHOOD SERVICES DEPARTMENT**
HOUSING DIVISION

DISTRICT: **2**

SUBJECT: **ADOPT RESOLUTION NO. HA 2022-003, A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF PALMDALE, APPROVINGTHE AMENDMENT OF AGREEMENT 07-IIG-4212 WITH THE STATE OF CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR THE PROPOSITION 1-C INFILL INFRASTRUCTURE GRANT PROGRAM**

ISSUE

Adopt Resolution HA 2022-003, a resolution of the Housing Authority of the City of Palmdale, approving the amendment of agreement 07-IIG-4212 with the State of California Department of Housing and Community Development for the Proposition 1-C Infill Infrastructure Grant Program.

RECOMMENDATION

Staff recommends that the City Council:

1. Adopt Resolution HA 2022-003, a resolution of the Housing Authority of the City of Palmdale, approving the amendment of agreement 07-IIG-4212 with the State of California Department of Housing and Community Development for the Proposition 1-C Infill Infrastructure Grant Program; and
2. Authorize the Executive Director or their designee to execute amendments and documents related to the Proposition 1-C Infill Infrastructure Grant Program Agreement with the State of California Department of Housing and Community Development.

BACKGROUND

The Community Redevelopment Agency of the City of Palmdale and Community Development Associates, Inc. entered into Agreement 07-IIG-4212 with the State of California Department of Housing and Community Development (HCD) on October 24, 2011, for the Proposition 1-C Infill Infrastructure Grant (IIG) Program. The funding

received for the Proposition 1-C Infill and Infrastructure Grant Program was used for development of the infrastructure necessary for construction of the Townhome Project and the Wright Brothers Court Apartment Project, located at 4th Street East and East Avenue Q.

DISCUSSION

The Housing Authority of the City of Palmdale, as Successor Housing Agency, (Housing Authority) is requesting an amendment of the IIG Agreement removing Community Development Associates, Inc. from the IIG Agreement and to amend the IIG Agreement Exhibit A Performance Milestones Housing to extend the timeline for completion of Phase 2 of the agreement. In addition, the Housing Authority is requesting to further amend the IIG Agreement to add the Developer selected through a Request for Proposal process subject to approval by HCD. The agreement's current milestone requirement is for construction of the Townhomes to be completed and occupied by June 30, 2024. Staff has proposed to HCD to amend the milestone requirement to July 2026.

FISCAL IMPACT

IIG Program grant funds were expended on the infrastructure for the development of the infrastructure necessary for construction of the Townhome Project and the Wright Brothers Court Apartments. Funds are available for pre-development costs of the Townhome development in account 29364011-782921 of $1,000,000.

STRATEGIC PLAN

Goal III: Invest in infrastructure to improve community livability.

C. Transform housing inventory to meet the changing lifestyle and market demands

Prepared by:	Sophia Reyes, Housing Manager
Certified as to availability of Funds:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim Executive Director
Approved as to form:	Christopher Beck, Authority Attorney

ATTACHMENTS

1. Resolution HA 2022-003

HOUSING AUTHORITY
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. HA 2022-003

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF PALMDALE APPROVING THE AMENDMENT OF AGREEMENT 07-IIG-4212) WITH THE STATE OF CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR THE PROPOSITION 1-C INFILL INFRASTRUCTURE GRANT PROGRAM

WHEREAS*,* the City Council of the City of Palmdale ("City Council") adopted the Redevelopment Plans for the Merged Redevelopment Projects ("Project Area") on March 24, 1994, by Ordinance Nos. 1042, 1043, and 1044, which resulted in the allocation of property taxes from the Project Area to the former Community Redevelopment Agency of the City of Palmdale ("Redevelopment Agency") for purposes of redevelopment. On May 4, 2011 the City Council adopted the Expansion Area Amendment by Ordinance No. 1418 adding additional territory to the Merged Project Area, and amending and restating the Redevelopment Plans into a single Amended and Restated Redevelopment Plan for the Merged Project Area ("Redevelopment Plan"). Project Area No. 2, Project Area No. 3, Project Area No. 4, and the Expansion Area collectively are referred to as the "Merged Project Area"*; and*

WHEREAS*,* the Housing Authority of the City of Palmdale ("Authority") is implementing certain proposed uses in the Merged Project Area including low-income housing, which will aid in carrying out the Redevelopment Plan, pursuant to its obligations under Assembly Bill No. 26 (2011-2012 1st Ex. Sess.), as amended by Assembly Bill No. 1484 (2011-2012 Regular Session) and as further amended from time to time (collectively, the "Dissolution Bills") wherein the Authority, as the designated entity, will perform the housing functions previously performed by the former Redevelopment Agency to carry out the purposes of the Redevelopment Plan and the Dissolution Bills.

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

SECTION 1. The Community Redevelopment Agency of the City of Palmdale and Community Development Associates, Inc. entered into Agreement 07-IIG-4212 with the State of California Department of Housing and Community Development (HCD) on October 24, 2011, for the Proposition 1-C Infill Infrastructure Grant (IIG) Program*.*

SECTION 2. The funding received for the Proposition 1-C Infill and Infrastructure Grant Program was used for development of the infrastructure

necessary for construction of the Townhome Project and the Wright Brothers Court Apartment Project, located at 4th Street East and East Avenue Q.

SECTION 3. The Housing Authority of the City of Palmdale, as Successor Hosing Agency, (Housing Authority) is requesting an amendment of the IIG Agreement removing Community Development Associates, Inc. from the IIG Agreement and to amend the IIG Agreement Exhibit A Performance Milestones Housing to extend the timeline for completion of Phase 2 of the agreement. In addition, the Housing Authority is requesting to further amend the IIG Agreement to add the Developer selected through a Request for Proposal process subject to approval by HCD.

SECTION 4. The Housing Authority authorizes the Executive Director or their designee to execute any and all instruments required by HCD or otherwise convenient and necessary to the City's joint participation with Developers in the IIG Program, including but not limited to the Standard Agreement and any amendments thereto with the State of California Department of Housing and Community Development.

SECTION 5. The Authority Secretary shall certify to the adoption of this resolution.

PASSED, APPROVED and **ADOPTED** this _____ day of _____, _____.

_____
Steven D. Hofbauer, Chair

Approved as to form:

ATTEST:

_____
Christopher L. Beck
Authority Attorney

_____
Shanae S. Smith,
Authority Secretary

I, Shanae S. Smith, Authority Secretary of the Housing Authority of the City of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the Housing Authority of the City of Palmdale at a special meeting of said Authority held on the _____ day of _____, 20___ by the following roll call vote:

AYES: _____

NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Shanae S. Smith, Authority Secretary

Housing Authority
Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE CHAIR AND COMMISSIONERS**

FROM: **CITY MANAGER DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **RECEIVE AND FILE THE ANNUAL FINANCIAL REPORTS FOR THE YEAR ENDED JUNE 30, 2021 FOR THE HOUSING AUTHORITY OF THE CITY OF PALMDALE**

ISSUE

Receive and file the Annual Financial Reports for the Year Ended June 30, 2021 for the Housing Authority of the City of Palmdale.

RECOMMENDATION

Staff recommends that the City Council receive and file the independent auditor's unmodified (clean) report for the City's Annual Financial Reports for the Year Ended June 30, 2021, for the Housing Authority of the City of Palmdale.

BACKGROUND

The Annual Financial Reports communicate the financial condition and activity for the Year Ended June 30, 2021, for the Housing Authority of the City of Palmdale, a component unit of the City of Palmdale. Component units are defined as legally separate organizations for which the primary government in financially accountable or which the nature and significance of the relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Independent audits are performed for each of the City's component units, which includes the Housing Authority of the City of Palmdale. The City's Annual Comprehensive Financial Report was brought before the City Council at the May 4, 2022, meeting and is inclusive of the component unit financial information. The component unit information is then reported and audited separately in the form of individual Annual Financial Reports as required by the Governmental Accounting Standards Board.

DISCUSSION

The City contracted with Eide Bailly, LLP to perform the annual audit of the City's financial transactions for the Year Ending June 30, 2021. The independent auditors' unmodified (clean) report provides the assurance that the financial statements and audited information within, present fairly the unit's financial position for the Year Ended June 30, 2021.

The Housing Authority of the City of Palmdale's financial statements are prepared in accordance with Generally Accepted Accounting Principles. The Housing Authority of the City of Palmdale has received an unmodified (clean) audit opinion for the year ended June 30, 2021. Attached are the financial statements, inclusive of the Auditor Opinions for review.

FISCAL IMPACT

There is no fiscal impact associated with this action.

STRATEGIC PLAN

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

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, Director of Finance
Certified as to availability of Funds:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Housing Authority of the City of Palmdale Annual Comprehensive Financial Report for the Year Ended June 30, 2021

ANNUAL FINANCIAL REPORT

CITY OF PALMDALE, CALIFORNIA

HOUSING AUTHORITY

(A Component Unit of the City of Palmdale)

For the Fiscal Year Ended

June 30, 2021

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Independent Auditor's Report.....1

MANAGEMENT DISCUSSION AND ANALYSIS.....3

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements.....8

Statement of Net Position.....8
Statement of Activities.....9
Governmental Funds.....

Fund Financial Statements.....10

Balance Sheet.....10
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....11
Statement of Revenues, Expenditures and Changes in Fund Balances.....12
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....13
Budgetary Comparison Statements Section Page.....
Statement of Revenue, Expenditures and Changes in Fund Balances – Budget and Actual General Fund.....14
Special Revenue Fund-Housing Asset Fund.....15
Special Revenue Fund-Mobile Home Parks.....16

Notes to the Financial Statements.....18

REQUIRED SUPPLEMENTARY INFORMATION.....34

Schedule of the Authority's Proportionate Share of the City's Net Pension Liability.....35
Schedules of Contributions.....36

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS.....37

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CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the Honorable Members of the Board of Commissioners
of the Palmdale Housing Authority
City of Palmdale, California

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities and each major fund of the Palmdale Housing Authority (Authority), a component unit of the City of Palmdale, California (City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Authority, as of June 30, 2021, and the respective changes in financial position, and where applicable, the respective budgetary comparison statements for the General Fund and each of the major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of changes in the Authority's proportionate share of the City's net pension liability and the schedule of contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated May 24, 2022, on our consideration of the City's internal control over financial reporting as it relates to the Authority and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance as it relates to the Authority.

Eide Bailly LLP

Rancho Cucamonga, California
May 24, 2022

As management of the City of Palmdale Housing Authority (Authority), a component unit of the City of Palmdale, we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2021.

Financial Highlights

- The assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $72,549,320.
- The Authority's total net position increased in the current year by $668,887. Details of the increased can be found on page 10.
- As of the close of the current fiscal year, the Authority's governmental funds reported combined ending fund balances of $45,951,907, an increase of $390,278 in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Authority's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the differences reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The statement of activities presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Authority that are principally supported by intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business- type activities). The Authority has no business-type activities. The governmental activities of the Authority include community development and interest on long-term debt.

The government-wide financial statements can be found on pages 8 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All five of the funds of the Authority are governmental funds.

Government Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances, provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The governmental fund financial statements can be found on pages 10 - 12. Budget and actual statements can be found on pages 14 - 16.

The Authority maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Housing Facilities Fund Special Revenue Fund and the Housing Facilities Fund Special Revenue Fund, all of which are considered to be major funds. The Authority does not have any non-major governmental funds.

The Housing Facilities Special Revenue Fund is used to account for revenues and expenditures related to the operation of three mobile home parks, four Multifamily apartments; Impressions, La Quinta, Park Vista and Summerwood, and one apartment building located at

507 and 513 East Avenue Q4. The funds are distributed under the terms of various agreements. The Housing Facilities Special Revenue Fund has a deficit fund balance of $(5,081,605).

Revenues received by the Authority in its capacity as the owner of the mobile home parks are restricted to be used in accordance with California's Housing Authorities Law. Revenues received by the Authority in its capacity as housing successor to the former Community Redevelopment Agency are restricted to be used in accordance with the affordable housing provisions of California's Community Redevelopment Law, as amended by Health and Safety Code section 34176.1.

Impressions, La Quinta, Park Vista and Summerwood Multifamily Apartments acquired by the Authority during fiscal year 2015-16. Net revenues derived from the operations of the Housing Facilities Fund will be reserved for repair and replacements, payment of debt service, bond reserve amounts, and operating reserves. Any revenues net of the operations and reserves may be used for any lawful purpose of the Authority. Housing Revenue Bonds were issued on September 3, 2015 to finance the acquisition of the four apartment facilities.

The apartment building located at 507 and 513 East Avenue Q4, was acquired by the Authority during fiscal year 2018-19. Net revenues derived from the operations of the Housing Facilities Ave Q4 Fund will be reserved for repair and replacements. Any revenues net of the operations and reserves may be used for any lawful purpose of the Authority.

The Housing Asset Fund is used to account for the restricted housing assets of the former Community Redevelopment Agency Housing Development Fund. Revenues received from assets previously held by the former CRA Housing Development Fund are restricted to be used in accordance with the affordable housing provisions of California's Community Redevelopment Law, as amended by Health and Safety Code section 34176.1, added by Senate Bill 341 (2013-2014 Regular Session). The Housing Asset Fund has a fund balance of $50,817,164.

The Authority adopts an annual appropriated budget for its Major Fund, Mobile Home Parks Fund, Housing Asset Fund, Housing Facilities Fund, and Housing Facilities Ave Q4 Fund. A budgetary comparison statement has been provided for General Fund and each of the Special Revenue funds to demonstrate compliance with budget.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18 - 33 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Authority, assets exceeded liabilities by $72,549,320 as of June 30, 2021.

Housing Authority Net Position

	Governmental Activites 2021	Governmental Activites 2020
Current and Other Assets	$ 55,359,587	$ 53,994,461
Capital Assets	27,066,936	27,500,821
Total Assets	82,426,523	81,495,282
Deferred Outflows of Resources	156,738	133,272
Other Liabilities	5,074,462	4,776,594
Long-Term Liabilities Outstanding	3,928,889	4,014,128
Net Pension Liabilities	1,030,590	939,373
Total Liabilities	10,033,941	9,730,095
Deferred Inflows of Resources	-	18,226
Net position		
Net Investment in Capital Assets	23,581,702	23,575,821
Restricted		
Community development	48,845,159	48,237,042
Unrestricted	122,459	67,570
Total net position	$ 72,549,320	$ 71,880,433

The Authority's net investment restricted in capital assets reflects a balance of $23,581,702. Net investment in capital assets is defined as land, buildings, machinery and equipment, infrastructure, and construction in progress, net of depreciation and less any related debt used to acquire these assets that is still outstanding.

The Authority's restricted net position of $48,845,159 represent resources that are subject to the affordable housing provisions of California Redevelopment Law, by contract or grant agreement, health and safety code and debt service.

The Authority's Long-term Liabilities reflect a balance of $3,928,889, consisting of $3,835,000 of Multifamily Housing Revenue Bonds (2015 Bonds) used to finance the acquisition of the Housing Facility Apartments on September 3, 2015. The remaining balance consists of unpaid compensated absences of $93,889.

The Authority's Other Liabilities reflect a balance of $5,074,462. Other Liabilities consists of long-term liabilities totaling $898,627 that are considered payable within a year and consist of accounts payable, accrued interest and accrued salaries. The remaining balance consists of $14,771 due to other funds and $4,307,047 of refundable deposits and unearned revenue.

See Notes to Financial Statements

Housing Authority's Changes in Net Position

	Governmental Activities 2021	Governmental Activities 2020
Revenues:		
Program Revenue:		
Charges for Services	$ 7,886,631	$ 7,459,191
Operating Grants and Contributions	720,584	591,729
General Revenue:		
Unrestricted investment earnings	17,089	303,282
Other	28,120	-
Gain from sale of land	-	80,795
Total Revenues	8,652,424	8,434,997
Expenses		
Community development	7,798,151	7,167,416
Interest on long-term debt	185,386	187,823
Total Expenses	7,983,537	7,355,239
Change in Net Position	668,887	1,107,980
Net Position - Beginning of Year	71,880,433	70,800,675
Net Position - End of Year	$ 72,549,320	$ 71,880,433

Governmental Activities. Governmental activities increased the Authority's net position by $668,887. The increase is primarily the result of increased Community Development program activities during the year.

- Charges for services increased by $427,440, or 5.73 percent primarily due to asset, program and project management fees collected during the year, as well as an increase in rents collected as higher occupancy levels were achieved at the four Multifamily Housing Facility Apartments.
- Operating Grants and contributions increased by $128,855, or 21.78 percent.
- Community Development expenses increased by $630,735 or 8.80 due to increases in bad debt expense as a result of compliance monitoring for Mobile Homes, and operating costs at the four Multifamily Housing Facility Apartments.

Financial Analysis of the Government's Funds

As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds. The focus of the Authority's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Authority's financing requirements. In particular, fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Authority's governmental funds reported combined ending fund balances of $45,951,907, an increase of $390,278 in comparison with the prior year. The fund balances were classified as follows:

- $50,817,164 is "Restricted" due to the existence of externally enforceable legal restrictions that are related primarily to special revenue funding sources.
- $(4,865,257) is "Unassigned" and represents negative residual resources.

The General Fund has a fund balance of $216,348, which was an increase of $59,649 from the prior fiscal year. The increase is primarily due to a decline in operating expenditures.

The Housing Asset Fund has a fund balance of $50,817,164 which was a decrease of $1,233,369 from the prior fiscal year. The decrease is attributable to an increase in operating expenditures

The Housing Facilities Fund has a fund balance of $(5,081,605), which was an increase of $1,563,998 from the prior fiscal year. The increase is primarily due to consolidation of Mobile Home Parks Fund, Housing Facilities Ave Q4 Fund into this fund.

See Notes to Financial Statements

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget resulted in an increase of appropriations by $16,840 as the result of anticipated decreased in expenditures for contract and professional services throughout the budget. Differences between the final amended budget and actual resulted in a $50,230 decrease in appropriations due to expenditures for salaries and benefits coming in less than anticipated. Differences between the final amended budget and actual revenues received resulted in a $3,620 increase in appropriations due to the Asset Management Fees coming in higher than anticipated.

Capital Asset and Debt Administration

Capital Assets. The Authority's investment in capital assets for its governmental activities as of June 30, 2021, amounts to $27,066,936 (net of accumulated depreciation). This investment in capital assets includes land, buildings and structures, and infrastructure. A $433,886 decrease in the Authority's investment in capital assets as compared to prior year is primarily the result of current year depreciation. There were additions of $366,246 and no disposals in the current year.

Housing Authority's Capital Assets
(Net of Depreciation)

	Governmental Activities 2021	Governmental Activities 2020
Land	$ 11,962,311	$ 11,758,761
Buildings & Structures	7,268,447	7,348,120
Improvements Other than Buildings	565,694	581,251
Infrastructure	7,270,484	7,812,690
Total	$ 27,066,936	$ 27,500,822

Additional information on the Authority's capital assets can be found on page 25, Note 7.

Long-Term Debt. At the end of the current fiscal year, the Authority had total bonded debt outstanding of $3,835,000. The 2015 Bonds are secured by pledges of the net revenue received from the operations of the Housing Facilities.

Housing Authority's Outstanding Debt
Revenue Bonds

	Governmental Activities 2021	Governmental Activities 2020
2015 Multifamily Housing Revenue bonds	$ 3,835,000	$ 3,925,000

The Authority's total long-term liability was $3,835,000, which is the amount of Revenue Bonds. The total debt decreased primarily as the result regularly scheduled debt service payments on the Multi-Family Housing Bond. The Authority did not apply for a rating on the bonds. No such rating should be assumed based upon any other Authority or City rating that may be obtained. See Note 13.

Request for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Palmdale Housing Authority, Office of the Finance Manager, 38300 Sierra Highway, Suite D, Palmdale, California, 93550.

See Notes to Financial Statements

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Government-Wide Financial Statements

STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
Assets	
Cash	$ 2,505,509
Investments	12,603,007
Accounts Receivable	251,545
Interest receivable	4,344,528
Due from other governmental units	5,409,777
Notes and liens	23,793,653
Deposits and prepaids	9,670
Land held for development	2,070,652
Restricted assets:	
Cash and Investments	4,371,246
Capital assets:	
Not being depreciated:	
Land and improvements	11,962,311
Being depreciated, net of accumulated depreciation:	
Buildings and structures	7,268,447
Improvements other than buildings	565,694
Infrastructure	7,270,484
Total assets	82,426,523
Deferred outflows of resources	
Pension related amounts	156,738
Liabilities	
Accounts payable	737,444
Accrued interest payable	15,200
Due to City	14,771
Deposits	375,047
Unearned Revenue	3,932,000
	5,074,462
Noncurrent liabilities:	
Due within one year	145,983
Due In more than one year	3,782,906
Net pension liability	1,030,590
Total liabilities	10,033,941
Net Position	
Net investment in capital assets	23,581,702
Restricted	
Community development	48,845,159
Unrestricted	122,459
Total net position	$ 72,549,320

See Notes to Financial Statements

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Total: Net (Expense) Revenues and Changes in Net Position
Governmental activities:				
Community development	$ 7,798,151	$ 7,886,631	$ 720,584	$ 809,064
Interest on long-term debt	185,386	-	-	(185,386)
Total governmental activities	$ 7,983,537	$ 7,886,631	$ 720,584	$ 623,678
General Revenue:				
Unrestricted investment earnings				$ 17,092
Other				28,117
Total general revenues				45,209
Change in Net Position				668,887
Net Position - Beginning of Year				71,880,433
Net Position - End of Year				$ 72,549,320

See Notes to Financial Statements

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Governmental Fund Financial Statements

The General Fund is the Housing Authority's primary operating fund and has been classified as a major fund. It accounts for compliance, administrative, and monitoring expenditures collected for the Housing Authority.

Special Revenue Funds are used to account for specific revenues that are restricted to expenditure for a particular purpose. The following funds have been classified as major funds:

Housing Facilities Fund – Used to account for the revenues and expenditures related to the operations of four apartment buildings, mobile home parks and two apartment buildings, consisting of eight units.

The Housing Authority of the City of Palmdale owns and operates the Impressions, La Quinta, Park Vista, and Summerwood Multifamily Apartments. Net revenues derived from the operations of the Housing Facilities Fund will be restricted for repair and replacements, payment of debt service, bond reserve amounts, and operating reserves. Any revenues net of the operations and reserves may be used for any lawful purpose (i.e., assigned) of the Housing Authority.

The mobile home Parks funds are distributed under the terms of various agreements. Revenues received by the Housing Authority in its capacity as the owner of the mobile home parks are restricted to be used in accordance with California's Housing Authorities Law. Revenues received by the Housing Authority in its capacity as housing successor to the former Community Redevelopment Agency are restricted to be used in accordance with the affordable housing provisions of California's Community Redevelopment Law, as amended by Health and Safety Code section 34176.1, added by Senate Bill 341 (2013-2014 Regular Session).

The Housing Authority of the City of Palmdale acquired two apartment buildings with eight units from new Beginnings Outreach in 2018. The Housing Authority of the City of Palmdale owns and operates the apartments located at 507 and 513 East Avenue Q4. Net revenues derived from the operations of the Housing Facilities Ave. Q4 Fund will be restricted for repair and replacements. Any revenues net of the operations and reserves may be used for any lawful purpose (i.e. assigned) of the Housing Authority.

Housing Asset Fund – Used to account for the restricted housing assets of the former Community Redevelopment Agency Housing Development Fund, which were transferred to the Successor Agency Fund and then transferred to the Housing Asset Fund upon acceptance of the Housing Successor role by the Housing Authority. Revenues received from assets previously held by the former CRA Housing Development Fund are restricted to be used in accordance with the affordable housing provisions of California's Community Redevelopment Law, as amended by Health and Safety Code section 34176.1, added by Senate Bill 341.

City of Palmdale Housing Authority
Balance Sheet
Governmental Funds
June 30, 2021

	General Fund	Special Revenue Funds: Housing Authority Facilities Fund	Special Revenue Funds: HA Housing Asset Fund	Total Governmental Funds
Assets:				
Cash	$ -	$ 2,505,509	$ -	$ 2,505,509
Investments	207,158	1,548,073	10,847,776	12,603,007
Receivables:				
Accounts and interest receivable	10,190	129,822	4,456,061	4,596,073
Advances due from other funds	-	-	1,186,001	1,186,001
Deposits and prepaid	-	9,670	-	9,670
Interfund promissory note	-	-	8,376,667	8,376,667
Notes and Liens	-	-	23,793,653	23,793,653
Advances due from fiduciary funds	-	-	5,409,777	5,409,777
Restricted Assets:				
Investments	-	-	3,018,542	3,018,542
Cash and Cash Equivalents	-	1,352,704	-	1,352,704
Land held for development	-	-	2,070,652	2,070,652
Total assets	$ 217,348	$ 5,545,778	$ 59,159,129	$ 64,922,255
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	-	690,668	46,776	737,444
Deposits	1,000	374,047	-	375,047
Unearned revenue	-	-	3,932,000	3,932,000
Advances due to other funds	-	1,186,001	-	1,186,001
Due to City	-	-	14,771	14,771
Interfund promissory note	-	8,376,667	-	8,376,667
Total liabilities	1,000	10,627,383	3,993,547	14,621,930
Deferred Inflows of Resources				
Unavailable revenue	-	-	4,348,418	4,348,418
Fund Balances				
Restricted	-	-	50,817,164	50,817,164
Unassigned	216,348	(5,081,605)	-	(4,865,257)
Total fund balances (Deficit)	216,348	(5,081,605)	50,817,164	45,951,907
Total liabilities, deferred inflows of resources and fund balances	$ 217,348	$ 5,545,778	$ 59,159,129	$ 64,922,255

See Notes to Financial Statements

Total Fund Balances - Total Governmental Funds (page 10)		$ 45,951,907
Amounts reported for governmental activities in the Statement of Net Position (page 8) are different because:		
Capital Assets used in governmental activities are not current financial resources and therefore are not reported in the Governmental Funds Balance Sheet.		
Governmental capital assets	37,799,785	
Less accumulated depreciation	(10,732,849)	27,066,936
Accounts receivable not available to pay for current-period expenditures are reported as deferred inflows of resources in the funds.		4,348,418
Deferred outflows related to pensions are not reported in the Governmental Fund Balance Sheet.		
Deferred outflows related to pensions		156,738
Interest due on long-term debt does not require current financial resources and therefore is not reported as a liability on the Governmental Funds Balance Sheet.		
Interest payable		(15,200)
Long-Term Liabilities are not due and payable in the current period and therefore are not reported as a liability in the Governmental Funds Balance Sheet.		
Compensated absences	(93,889)	
Net pension liability	(1,030,590)	
Bonds Payable	(3,835,000)	(4,959,479)
Net Position of Governmental Activities (page 8)		$ 72,549,320

See Notes to Financial Statements

City of Palmdale Housing Authority

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2021

	General Fund	Special Revenue Funds: Housing Authority Facilities Fund	Special Revenue Funds: HA Housing Asset Fund	Total Governmental Funds
Revenues:				
Charges for current services	$ 93,552	$ -	$ 296,969	$ 390,521
Use of property	-	7,496,262	-	7,496,262
Interest	1,129	8,471	95,401	105,001
Interfund interest	-	-	403,797	403,797
Net increase (decrease) in fair value of investments	(761)	(5,738)	(37,489)	(43,988)
Other	-	-	28,117	28,117
Total revenues	93,920	7,498,995	786,795	8,379,710
Expenditures:				
Current:				
Community development	34,270	4,979,122	1,924,663	6,938,055
Capital Outlay	-	331,081	5,321	336,402
Debt service:				
Principal	-	90,000	-	90,000
Interest	-	185,658	-	185,658
Interfund interest	-	403,797	-	403,797
Total expenditures	34,270	5,989,658	1,929,984	7,953,912
Excess (deficiency) of revenues over (under) expenditures	59,650	1,509,337	(1,143,189)	425,798
Other Financing Sources (Uses)				
Transfers In	-	60,000	5,339	65,339
Transfers Out	-	(5,339)	(60,000)	(65,339)
Transfers to City's General Fund	-	-	(35,520)	(35,520)
Total other financing sources (uses)	-	54,661	(90,181)	(35,520)
Net Change in Fund Balances	59,650	1,563,998	(1,233,370)	390,278
Fund Balances (Deficit) - Beginning of Year	156,698	(6,645,603)	52,050,534	45,561,629
Fund Balances (Deficit) - End of Year	$ 216,348	$ (5,081,605)	$ 50,817,164	$ 45,951,907

See Notes to Financial Statements

Net Change in Fund Balances - Total Governmental Funds (page 12)		$ 390,278
Amounts reported for governmental activities in the Statement of Activities and Changes in Net Position (page 9) are different because:		
Governmental Funds report capital outlays as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives and recorded as depreciation expense.		
Capital Asset Additions - Current Year	366,246	
Less Depreciation Expense	(800,132)	(433,886)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		676,508
Long-term debt issuance provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Government-Wide Statement of Net Position. Principal repayments of long-term debt and escrow agent payments are expenditures/uses in the Governmental Funds, but they reduce long-term liabilities in the Government-Wide Statement of Net Position. Also premiums are recognized in the current period in the Governmental Funds, whereas these amounts are amortized in the Government-Wide Statement of Activities. This is the amount by which repayments exceeded proceeds.		
Bonds & Certificates of Participation payable		90,000
Some expenses reported in the Government-Wide Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the Governmental Funds.		
Compensated absences	(4,760)	
Accrued interest on debt	272	
Pension expense	(49,525)	(54,013)
Net change in net position - governmental activities (page 9)		$ 668,887

See Notes to Financial Statements

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Budgetary Comparison Statements

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:				
Charges for current services	$ 89,820	$ 89,800	$ 93,552	$ 3,752
Interest	500	500	1,129	629
Net increase (decrease) in fair value of investments	-	-	(761)	(761)
Total revenues	90,320	90,300	93,920	3,620
Expenditures:				
Current:				
Community development	67,660	84,500	34,270	50,230
Total expenditures	67,660	84,500	34,270	50,230
Excess (deficiency) of revenues over (under) expenditures	22,660	5,800	59,650	53,850
Net Changes in Fund Balance	22,660	5,800	59,650	53,850
Fund Balance (Deficit) - Beginning of Year	156,698	156,698	156,698	-
Fund Balance (Deficit) - End of Year	$ 179,358	$ 162,498	$ 216,348	$ 53,850

See Notes to Financial Statements

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:				
Charges for current services	$ 167,430	$ 225,600	$ 296,969	$ 71,369
Interest	750,210	750,300	95,401	(654,899)
Interfund interest	406,960	407,100	403,797	(3,303)
Net increase (decrease) in fair value of investments	-	-	(37,489)	(37,489)
Other Revenue	250,000	2,501,100	28,117	(2,472,983)
Total revenues	1,574,600	3,884,100	786,795	(3,097,305)
Expenditures:				
Current:				
Community development	2,036,020	6,327,130	1,924,663	4,402,467
Capital Outlay	1,000	6,700	5,321	1,379
Debt service:				
Total expenditures	2,037,020	6,333,830	1,929,984	4,403,846
Excess (deficiency) of revenues over (under) expenditures	(462,420)	(2,449,730)	(1,143,189)	1,306,541
Other Financing Sources (Uses):				
Transfers In	957,170	957,200	5,339	(951,861)
Transfers Out	(55,370)	(55,400)	(60,000)	(4,600)
Transfers to City's General Fund	(35,370)	(35,400)	(35,520)	(120)
Total other financing sources (uses)	866,430	866,400	(90,181)	(956,581)
Net Changes in Fund Balance	404,010	(1,583,330)	(1,233,370)	349,960
Fund Balance (Deficit) - Beginning of Year	52,050,534	52,050,534	52,050,534	-
Fund Balance (Deficit) - End of Year	$ 52,454,544	$ 50,467,204	$ 50,817,164	$ 349,960

See Notes to Financial Statements

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:				
Use of property	$ 7,311,280	$ 7,522,800	$ 7,496,262	$ (26,538)
Interest	4,060	4,000	8,471	4,471
Net increase (decrease) in fair value of investments	-	-	(5,738)	(5,738)
Total revenues	7,315,340	7,526,800	7,498,995	(27,805)
Expenditures:				
Current:				
Community development	5,133,220	5,576,900	4,979,122	597,778
Capital Outlay	428,000	322,000	331,081	(9,081)
Debt service:				
Interfund interest	406,970	407,100	403,797	3,303
Principal	90,000	90,100	90,000	100
Interest	185,650	185,700	185,658	42
Total expenditures	6,243,840	6,581,800	5,989,658	592,142
Excess (deficiency) of Revenues: Over (Under) Expenditures	1,071,500	945,000	1,509,337	564,337
Other Financing Sources (Uses):				
Transfers In	-	-	60,000	60,000
Transfers Out	(957,170)	(957,200)	(5,339)	951,861
Total other financing sources (uses)	(957,170)	(957,200)	54,661	1,011,861
Net Changes in Fund Balance	114,330	(12,200)	1,563,998	1,576,198
Fund Balance (Deficit) - Beginning of Year	(6,645,603)	(6,645,603)	(6,645,603)	-
Fund Balance (Deficit) - End of Year	$ (6,531,273)	$ (6,657,803)	$ (5,081,605)	$ 1,576,198

See Notes to Financial Statements

CITY OF PALMDALE HOUSING AUTHORITY

Notes to the Financial Statements

For the Fiscal Year Ended

June 30, 2021

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(1) Summary of Significant Accounting Policies....19
A. Description of the Reporting Entity....19
B. Financial Statement Presentation, Basis of Accounting, and Measurement Focus....19
C. Budgets and Budgetary Accounting....20
D. Cash and Investments....20
E. Land Held for Resale....20
F. Capital Assets....20
G. Deferred Outflows/Inflows of Resources....21
H. Compensated Absences....21
I. Pensions....21
J. Fund Equity....21
K. Deficit Fund Equity....22
L. Use of Estimates....22
M. Implemented Accounting Pronouncements....22
(2) Cash and Investments....22
A. Investments Authorized by the California Government Code and the Authority's Investment Policy....23
B. Disclosures Relating to Interest Rate Risk....23
C. Disclosures Relating to Credit Risk....24
D. Custodial Credit Risk....24
E. Disclosures relating to Fair Value of Investments....24
(3) Notes Receivable....24
(4) Fund Balance Classification....24
(5) Interfund Transfers....25
(6) Interfund Due To/From and Advances Due To/From....25
A. Advances and Due To/From Other Funds....25
B. Interfund Promissory Note Between the Housing Facilities Fund and the Housing Asset Fund....25
C. Advances Due from Successor Agency at June 30, ...26
(7) Capital Assets....27
(8) Deposits and Prepaids....27
(9) Due to City....27
(10) Risk Management....28
(11) Unearned Revenue/Unavailable Revenues....28
(12) Public Employee's Retirement System (PERS) Pension Plan....28
A. General Information about the Pension Plan....28
B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions....29
(13) Long-Term Debt....31
A. Revenue Bonds....31
B. Changes in Long-Term Liabilities....32
(14) Contingencies....32
(15) New Accounting Pronouncements....33

(1) Summary of Significant Accounting Policies

A. Description of the Reporting Entity

The Housing Authority of the City of Palmdale, California (Authority) was established on April 9, 1997, pursuant to provisions of the State of California Housing Authorities Law. The Authority is subject to the financial accountability of the City Council of the City of Palmdale, California (City) and, accordingly, is a blended component unit of the City although it is a separate legal entity. The Authority's primary purpose is to address the shortage of multi- family housing in the City of Palmdale with respect to which long-term affordability for low-income persons is ensured as the result of recorded agreements or covenants.

As the result of the dissolution of the former Community Redevelopment Agency, and under the provision of AB 1484, the City can elect to become the Housing Successor and retain the housing assets. The City elected to become the Housing Successor and on February 1, 2012, certain housing assets were transferred to the City's Successor Agency Housing Asset Fund and later transferred to the Authority. The Authority assumed the authority to perform housing functions previously performed by the dissolved Community Redevelopment Agency and all rights, powers, duties, obligations, and housing assets were transferred to the Authority during fiscal year 2011-12.

The financial statements of the Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below.

B. Financial Statement Presentation, Basis of Accounting, and Measurement Focus

The accounts of the Authority are organized on the basis of separate funds, each of which is considered to be a separate accounting equity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are to be controlled.

Government-Wide Financial Statements

The Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements report information on all of the activities of the Authority. Interfund activity, including payables and receivables, have been eliminated in the Statement of Activities and the Statement of Net Position.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges for services to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. 2) grants and contributions that are restricted to meeting the operational requirements of a particular function, and 3) grants and contributions that are restricted to meeting the capital requirements of a particular function. Unrestricted investment earnings are reported as general revenues.

The Government-Wide Financial Statements are presented using the *economic resources measurement focus* and the *accrual basis of accounting*. Accordingly, all of the Authority's assets, deferred outflows of resources, liabilities (including long-term liabilities), and deferred inflows of resources are reported in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized as soon as they are earned and expenses are recognized as soon as a liability is incurred, regardless of the timing of related cash flows.

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances for all major funds individually. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in the Statements of Net Position presented in the Government-Wide Financial Statements.

Governmental Fund Financial Statements are presented using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Accordingly, only current assets, current liabilities, and deferred inflows of resources are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Revenues are considered to be available when they are collectible within the period or soon enough

thereafter to be used to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Charges for current services and interest revenue are considered susceptible to accrual. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

The Authority has presented all funds as major funds because the Authority believes the financial position and activities of these funds are significant to the Authority as a whole. Specific fund descriptions can be found on page 10.

C. Budgets and Budgetary Accounting

An annual budget is adopted on a basis consistent with generally accepted accounting principles. Encumbrance accounting is employed in governmental funds. Encumbrances (i.e., purchase orders, contracts, and other commitments) outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities and are added to the subsequent year's adopted appropriations.

The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the category level. The category level includes personnel, training and meetings, operating expenditures, contingency, debt service, and capital outlay. Supplemental appropriations during the year must be approved by the City Council if they are over $100,000 or between funds, except for shifts in appropriations relating to personnel changes that may be done administratively by the City Manager. The City Manager can approve budget transfers up to $100,000 within a fund. Supplemental appropriations were made during the year and are reflected in the budgeted numbers contained in the accompanying financial statements. Unexpended appropriations at year-end may be added to the subsequent year's adopted budget by the Finance Manager with the approval of the City Manager per Council Resolution 2021-058, Section 8.

D. Cash and Investments

Cash includes amounts in demand deposits and petty cash on hand. Investments include amounts invested in the City of Palmdale Investment Pool and Investments held by trustees. See Note 2 for additional detail.

E. Land Held for Resale

Abandoned and Foreclosed Mobile Home Rehabilitation

Abandoned and Foreclosed Mobile Homes for resale are capitalized in the special revenue funds at the lower of cost or market. To preserve the occupancy, maximize the monthly space rent revenues and minimize vacant lot potential at the mobile home parks, the Authority will purchase and rehabilitate mobile homes for resale to a qualified applicant in need of an affordable home. Fund balances are classified as restricted. At the end of the current fiscal year, the Authority did not hold any abandoned and foreclosed mobile homes for resale.

Low and Moderate Affordable Housing-Land Held for Resale

Land Held for resale is capitalized in the special revenue funds at the lower of cost or market. The land held by the Authority was purchased with either low moderate housing funds or housing asset funds and is being held for resale or development in order to benefit qualified or eligible households with affordable housing. At the end of the current fiscal year, the Authority reported $2,070,652 in land held for resale.

F. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at cost where historical costs are available and at an estimated original cost where no historical records exist. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets used in operations are depreciated over their estimated useful lives using the straight- line method in the Government-Wide Financial Statements. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the balance sheet. The range of lives used for depreciation purposes for each capital asset class is as follows:

Asset	Years
Buildings and structures	50
Infrastructure	5-10

G. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Authority has two items that qualify for reporting in this category. 1) Changes of assumptions, and 4) the difference between actual earnings and the projected earnings on the pension fiduciary net position.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has one type of item which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. The government-wide Statement of Net Position reports deferred inflows resulting from changes of assumptions and net difference between actual earnings and projected earnings on the pension fiduciary net position. These amounts are deferred and recognized over a defined amortization period of five years.

H. Compensated Absences

It is the Authority's policy to permit employees to accumulate earned but unused vacation and administrative leave, and compensatory and floating holiday time. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation and administrative leave, compensatory and floating holiday time, and associated employer-related salary costs are accrued when incurred in the Government-Wide Financial Statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences are generally liquidated by the various special revenue funds.

I. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Palmdale Housing Authority's proportionate share of the City of Palmdale Pension's Plan, which is administered by the California Public Employees Retirement System (CalPERS) and additions to/deductions from the Plan's fiduciary net position have been determined as an allocation of the City of Palmdale's net pension liability, pension expense, and deferred inflows and outflows based on contributions paid by Authority employees. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

J. Fund Equity

In the Fund Financial Statements, governmental funds may classify fund balances into five components whereby each component identifies the extent to which the Authority is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The five components of the fund balance are as follows:

Nonspendable: Resources that 1) not in spendable form, such as inventories, prepaids, long-term receivables, or non-financial assets held for resale, or 2) required to be maintained intact such as an endowment.

Restricted: Resources that are subject to externally enforceable legal restrictions; these restrictions would be either 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation.

Committed: Revenues that are constrained to specific purposes by a formal action of the Authority's Board, which constitutes the most binding constraint such as an ordinance. The constraint remains binding unless removed in the same formal manner by the Authority's Board. The Authority's Board action to commit fund balance must occur within the fiscal reporting period while the amount committed may be determined subsequently.

Assigned: Resources that are constrained by the Authority's intent to be used for specific purposes, but that neither restricted nor committed. This policy delegates to the Finance Manager the authority to assign unrestricted fund balance amounts where the Authority's intent is for those amounts to be used for specific purposes. This delegation of authority is for the sole purpose of reporting these amounts in the annual financial statements.

Unassigned: Within the General Fund, the residual resources, either positive or negative, in excess of what can be properly classified in one of the other four fund balance categories. Within all other governmental funds, the negative residual resources in excess of what can be properly classified as nonspendable, restricted, or committed.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, the Authority's policy is to first apply restricted fund balance. When expenditures are incurred for purposes for which committed, assigned, or unassigned fund balances are available, the Authority's policy is to first apply committed fund balance, then assigned fund balances, and finally unassigned fund balance.

K. Deficit Fund Equity

The following funds had a deficit fund balance at June 30, 2021 in the amount indicated:

Major Special Revenue Funds:		
Housing Facilities Fund	$	(5,081,605)

Management anticipates that these deficits will be resolved in future years as additional operating revenues become available. It is anticipated occupancy levels at the Mobile Home Parks will continue to remain high and consistent and continue to reduce the deficit in the Housing Authority Mobile Home Park Fund to positive levels once the Mobile Home Park loan is paid off.

L. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

M. Implemented Accounting Pronouncements

GASB Statement No. 84, Fiduciary Activities. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The implementation had no material impact.

GASB Statement No. 90, Majority Equity Interests – (an amendment of GASB Statements No. 14 and No. 61). The primary objective of this Statement is to improve consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. The implementation had no material impact.

(2) Cash and Investments

Cash and investments as of June 30, 2021 are classified in the accompanying financial statements as follows:

Statement of Net Position:		
Cash	$	2,505,509
Investments		12,603,007
Restricted cash and investments		4,371,246
Total cash and investments	$	19,479,762

Cash and investments as of June 30, 2021 consist of the following:

Cash held by third party	$	2,505,509
Cash and investments with City of Palmdale investment pool		12,603,007
Cash and Investments held by Trustee		4,371,246
Total cash and investments	$	19,479,762

Cash and investments of the Authority are pooled with funds of the City for deposit and investment purposes, except for funds required to be held by third parties for the operations of the mobile home parks and apartment facilities or to be held by outside fiscal agents. Interest earned on pooled cash and investments is credited to the funds based on each respective fund's month-end cash balance.

Detailed information concerning the City's pooled cash and investments can be found in the City's Annual Comprehensive Financial Report for the year ended June 30, 2021.

A. Investments Authorized by the California Government Code and the Authority's Investment Policy

Investments of the Authority are pooled with funds of the City and therefore adhere to the City's Investment Policy. The following table identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements with the Authority, rather than the general provisions of the California Government Code or the City's Investment Policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer**
U.S. Treasury Obligation	5 years	None	None
U.S. Federal Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	2%
Municipal Obligations	5 years	10%	15%
Medium Term Corporate Notes	3 years	10%	None
Negotiable Certificates of Deposit	5 years	30%	15%
Overnight Bank Investment Pool	N/A	10%	None
Mutual Funds	N/A	15%	10%
Local Agency Investment Fund (LAIF)	N/A	None	$65,000,000
California Asset Management Program (CAMP)	N/A	None	$65,000,000

*Excluding amounts held by bond trustees that are not subject to California Government Code Restrictions

**Per account

The City's Investment Policy also authorizes Demand Deposits of up to $2,000,000 (and $2,500,000 in the aggregate) with Bank of America or Wells Fargo Bank.

B. Disclosures Relating to Interest Rate Risk

Interest rate risk in the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Investment Policy of the City of Palmdale, Sections 4.1 and 4.2, provide guidelines for managing risk. One of the ways that the City of Palmdale manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

C. Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City of Palmdale's Investment Policy, or the Authority's debt agreements, and the actual rating as of year-end for each investment type.

Investment Type:	Total	Minimum Legal Rating	Not Required To Be Rated	AAA/Aaa*
Cash and Investments with City of Palmdale Investment Pool	$ 12,603,007	N/A	$ 12,603,007	$ -
Held by bond trustees:				
Money market funds	4,371,246	A	-	4,371,246
Total	$ 16,974,253		$ 12,603,007	$ 4,371,246

D. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's Investment Policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

City deposits with financial institutions in excess of federal depository insurance limits of $250,000 were held in collateralized accounts held with the City of Palmdale. As of June 30, 2021, City investments were held by the safekeeping department of the broker-dealer (counterparty) used by the City of Palmdale to buy the securities.

E. Disclosures relating to Fair Value of Investments

The Authority categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Deposits and withdrawals in governmental investment pools, such as the City's Investment Pool are made on the basis of $1 and not fair value. Accordingly, the measurement of fair value of these types of investments is based on an uncategorized input not defined as a Level 1, Level 2, or Level 3 input. Money market investments are carried at amortized cost.

(3) Notes Receivable

Notes Receivable in the amount of $23,793,653, are reported on the governmental fund financial statements and the government-wide financial statements. The balances consist of Affordable Housing Project loans made through various grants for low to moderate-income homeowners seeking to improve their homes. As the Notes are repaid, proceeds are used to continue the Affordable Housing Programs.

(4) Fund Balance Classification

The Governmental Fund Balances at June 30, 2021 were classified as follows:

	HA General Fund	Special Revenue Fund HA Facilities Fund	Special Revenue Fund Housing Asset Fund	Total Governmental Funds
Restricted:				
Low and moderate income housing	$ -	$ -	$ 50,817,164	$ 50,817,164
Unassigned Fund Balance	216,348	(5,081,605)	-	(4,865,257)
Total fund balance (deficit)	$ 216,348	$ (5,081,605)	$ 50,817,164	$ 45,951,907

(5) Interfund Transfers

Transfers between funds for the year ended June 30, 2021, consisted of the following:

Transfer to:	Transfer From:	Amount
Housing Asset Fund	Housing Facilities Fund	$ 5,339
Housing Facilities Fund	Housing Asset Fund	60,000
Total Interfund Transfers		$ 65,339
City of Palmdale	Housing Asset Fund	$ 35,520
Total Transfers to City's General Fund		$ 35,520

The transfers resulted from changes in security deposits held by the Housing Facilities that were reimbursed by the Housing Asset Fund. Transfers to the Housing Facilities in the amount of $60,000 were a result of consolidating of funds this fiscal year.

(6) Interfund Due To/From and Advances Due To/From

A. Advances and Due To/From Other Funds

The advances due to/from are reported on the Governmental Fund Balance Sheet of the Housing Asset Fund and Housing Facilities Fund as a result of the dissolution of the former Community Redevelopment Agency of the City of Palmdale resulting from the acquisition of three mobile home parks purchased during fiscal year 2002-2003. Upon acquisition, the Authority assumed the prior park owner's liabilities which were payable to the former CRA Low and Moderate Income Housing fund and City under the terms of an operating agreement. The operating agreement establishes priorities for the use of revenues from operation of the parks and provides for repayment of the advances from net income once expenses, debt service, operating, and capital reserve requirements are met. In the interim, additional liabilities and program/project management fees will continue to accrue to the long-term advances due the Authority - Housing Asset Fund if there are shortfalls in expected payment. These advances will be repaid when net income is sufficient under the operating agreement. As of June 30, 2021, the balance of these liabilities was $1,186,001.

Advances Due To/From Other Funds for the year ended June 30, 2021 were as follows:

Payable To:	Payable From:	Amount
Housing Asset Fund	Housing Facilities Fund	$ 1,186,001
Advances Total Due From/To Other Funds		$ 1,186,001

B. Interfund Promissory Note Between the Housing Facilities Fund and the Housing Asset Fund

The Authority and the City of Palmdale former Community Redevelopment Agency (Agency) previously entered into loan and repayment agreements whereby the Agency loaned the proceeds of a 1997 Series A (refunded by 2005 Series E) and Series B

(refunded by 2003 Series C) Tax Allocation Bond debt issuances to the Authority.

The proceeds of the Bonds were used to finance the acquisition, sale, and improvement of three mobile home parks ("Parks") in the City. Immediately upon acquiring the Parks, the Agency sold them pursuant to an Affordable Housing Agreement, which reserved an option for the Agency to later designate another entity to take title of the Parks. On March 26, 2003, the Agency exercised this option by entering into a Cooperation Agreement with the Housing Authority of the City of Palmdale. Title to the property transferred from the prior owner of the Parks to the Housing Authority on April 4, 2003.

The liability for the 1997 Series B Bonds was fully defeased in December 2003 in the amount of $5,090,000 by the Agency's 2003 Tax Allocation Series C Bonds. The Agency advance refunded the 1997 Series B Bonds to take advantage of the current market and realize economic savings. The liability for the 1997 Series A Bonds was fully defeased in August 2005 in the amount of $13,170,000 by the Agency's 2005 Tax Allocation Series E Bonds. The Agency advance refunded the 1997 Series A Bonds to take advantage of the current market and realize economic savings.

Repayment agreements between the former Community Redevelopment Agency and the Authority require the Authority to pay the former Community Redevelopment Agency under the same terms as the Bonds were issued. The 2003 Series C Bonds and 2005 Series E Bonds were secured by Project Area No. 2A's Housing Set-Aside revenue and certain related reimbursements provided for in the Affordable Housing Agreement. The Housing Authority was to use operating income from the Parks to repay the former Agency, which was supposed to in turn, pay principal and interest with respect to the 2003 Series C Bonds and 2005 Series E Bonds as they become due. Under the 2003 amended Indenture, the Bonds were to be paid and secured by the tax increment of the former Community Redevelopment Agency and principal and interest was no longer required to be paid from the Authority.

As the result of the dissolution of the former Community Redevelopment Agency and the Authority assuming the duties of the former Community Redevelopment Housing Development Fund, the agreement will be maintained by the Housing Asset Fund which is now classified as an Interfund Promissory Note effective February 1, 2012. All proceeds from repayment of the note must be used in accordance with applicable housing related provisions of Community Redevelopment Law. During FY 2020-21, the Boulder Mobile Home parks paid $951,666 of principal and $406,972 interest for a total $1,358,638 to the Housing Asset Fund. The balance of the Note as of June 30, 2021 is $8.376,667. The remaining debt service schedule below uses a blended interest rate ranging from 3.7% to 4.75% due to the note's variable interest rate.

Year Ending	Principal	Interest	Total
2022	$ 991,667	$ 366,173	$ 1,357,840
2023	1,031,667	323,471	1,355,138
2024	1,075,000	277,989	1,352,989
2025	1,123,333	230,356	1,353,689
2026	1,170,000	180,331	1,350,331
2027-2030	2,985,000	212,017	3,197,017
Total	$ 8,376,667	$ 1,590,337	$ 9,967,004

C. Advances Due from Successor Agency at June 30, 2021

Payable To:	Payable From:	Amount
Housing Asset Fund	City of Palmdale - Successor Agency	$ 5,409,777

In fiscal years 2004-2005 and 2005-2006, the state required the former Community Redevelopment Agency (CRA) to shift tax increment of $1,862,827 to the Education Revenue Augmentation Fund (ERAF). To assist in funding this shift, the former CRA Housing Development fund advanced $355,538 and $1,507,289 (50% of the total requirements) to the former CRA Project Area No. 1 and 2A Debt Service funds, respectively.

In 2009-2010, the State required the former Community Redevelopment Agency (CRA) to shift tax increment of $11,605,102 to the Supplemental Education Revenue Augmentation Fund (SERAF). To assist in funding this shift, the former CRA Housing Development fund advanced $2,533,394 and $9,071,708 (100% of the total requirement) to the former CRA Project Area No. 1 and 2A Debt Service Fund, respectively.

In fiscal year 2010-11, the State required the former Community Redevelopment Agency (CRA) to shift tax increment of $2,389,286

to the Supplemental Education Revenue Augmentation Fund (SERAF). To assist in funding this shift, the former CRA Housing Development fund advanced $521,581 and $1,867,705 (100% of the total requirement) to the former CRA Project Area No. 1 and 2ADebt Service funds, respectively.

The Successor Agency Private Trust Fund was formed for the purpose of holding the assets and liabilities of the former Community Redevelopment Agency. All assets and liabilities were transferred to the Successor Agency Private Purpose Trust Fund which is used to account for assets and liabilities held by the City for the former Community Redevelopment Agency. The Advances Due to the Authority described above are approved enforceable obligations in existence at the date of dissolution and will be repaid by the Successor Agency from future property tax revenues. The repayment amount cannot exceed one-half of the increase between the amount distributed to the taxing entities and the 2012-13 base year (or residuals). During FY 2020-21, the Authority received $250,000 from the Successor Agency during the Recognized Obligations Payment Schedule (ROPS) period of July-December 2021 or ROPS 20-21A. The Authority received $2,500,000 the ROPS period of January-June 2021 or ROPS 20-21B.

(7) Capital Assets

Capital Assets of the Housing Authority for the year ended June 30, 2021 consisted of the following:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land and improvements	$ 11,758,761	$ 203,550	$ -	$ 11,962,311
Total capital assets not being depreciated	11,758,761	203,550	-	11,962,311
Capital assets being depreciated:				
Buildings and structures	8,510,457	91,450	-	8,601,907
Improvements other than buildings	832,409	71,246	-	903,655
Infrastructure	16,331,912	-	-	16,331,912
Total capital assets being depreciated	25,674,778	162,696	-	25,837,474
Less: accumulated depreciation for:				
Buildings and Improvements	1,162,336	171,124	-	1,333,460
Improvements other than buildings	251,158	86,803	-	337,961
Infrastructure	8,519,223	542,205	-	9,061,428
Total accumulated depreciation	9,932,717	800,132	-	10,732,849
Total capital assets being depreciated, net	15,742,061	(637,436)	-	15,104,625
Governmental activities capital assets, net	$ 27,500,822	$ (433,886)	$ -	$ 27,066,936

For the year ended June 30, 2021, depreciation expense on capital assets was charged to the Community Development function in the amount of $800,132.

(8) Deposits and Prepaids

For the year ended June 30, 2021, deposits in the amount of $9,670 are reported on the governmental fund statements and government-wide statements and consist of $9,670 from security deposits held for the mobile home renters.

(9) Due to City

2018 Habitat for Heroes Development Loan

A Cooperative Agreement, dated as of September 3, 2014, was entered into by and between the City of Palmdale and the Housing Authority of the City of Palmdale. The City of Palmdale is the owner of certain real property located at the northeast corner of Division Street and Avenue R ("Property"). Habitat for Humanity of San Fernando/Santa Clarita, Inc., a California nonprofit public benefit corporation (the "Developer") proposes to develop on the Property 50 units of single-family housing to be sold at affordable cost to income qualified military veterans ("Project") with financial assistance from the Authority.

The Authority, the City, and Developer concurrently entered into a Memorandum of Understanding by which the Authority and

Developer will negotiate an Affordable Housing Agreement, setting forth the terms and conditions by which the Authority will sell the Property to the Developer and carry back the purchase price. The Authority will take a promissory note from Developer for repayment to the Authority of the Project Fees. The City agrees to defer its collection of the Project Fees charged by the City in relation to the Project. The Project Fees include but not limited to park development fees, traffic impact fees, drainage fees, building permit fees, and engineering fees. The total amount of the Project Fees to be paid by the Authority will be determined by the City in accordance with the City's adopted fee schedules and customary processes.

To implement the Affordable Housing Agreement and facilitate the Project, the Authority agrees to pay the City the fair market value of the Property at $25,000 per acre ("Purchase Price"). The Authority agrees to pay the Purchase Price and the Project Fees to the City in ten equal installments at zero interest, commencing on a date that is one year after the closing of the Authority's sale of the Property to Developer. As a condition of the City's sale of Property to the Authority, the Authority executed a promissory note the City, in a form approved by the City, setting forth the payment terms in this Agreement. The amount due will be in an original principal amount equal to the Purchase Price of the Property plus the final amount of the Project Fees determined by the City. During the Fiscal Year 2020-21, the City incurred costs in the amount of $14,771.

(10) Risk Management

The Authority is covered under the City of Palmdale's risk management program for general liability claims, automobile insurance and health plan.

(11) Unearned Revenue/Unavailable Revenues

Unearned Revenue - Governmental funds report unearned revenue on the balance sheet in connection with resources that have been received, but not yet earned. Accordingly, this type of unearned revenue is also reported on the Statement of Net Position. At the end of the current fiscal year, the components of unearned revenue were as follows:

Housing Asset Fund: Lease Revenues Received in Advance	$ 3,932,000
Total Housing Authority Unearned Revenue	$ 3,932,000

Unavailable Revenue - Governmental funds also report deferred inflows of resources on the balance sheet in connection with resources that have been earned but are not yet available to finance expenditures of the current fiscal period. This type of deferred revenue is unique to governmental funds since it is tied to the modified accrual basis of accounting. Accordingly, these unavailable revenues are not reported on the Statement of Net Position. At the end of the current fiscal year, the components of unavailable revenues result from accrued interest revenue not received with the 60-day period were as follows:

Housing Asset Fund	$ 4,348,418

(12) Public Employee's Retirement System (PERS) Pension Plan

A. General Information about the Pension Plan

The Authority participates in the City of Palmdale's Miscellaneous pension plan by sharing the costs related to pensions with the City for eligible employees. All plan information described below pertains to the overall plan for the City.

Plan Description -All qualified permanent probationary employees are eligible to participate in the City of Palmdale's Miscellaneous Plan, an agent multiple employer defined benefit pension plan administered by the California Public Employees Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at: http://www.calpers.ca.gov/index.jap?bc=/about/forms-pubs/calpers-reports/actuarial- reports/home.xml

Benefits Provided - CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan

members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Unused sick leave accumulated at the time of retirement will be converted to credited service at a rate of0.004 years of service for each day of sick leave. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is the Basic Death benefit and the 1959 Survivor Benefit. The cost-of-living adjustments is 2 percent and applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Miscellaneous Plan		
	On or Prior to April 10, 2011	Between April 11, 2011 and December 31, 2012	On or after January 1, 2013
Hire Date	2.7 Percent @ Age 55	2.0 Percent @ Age 60	2.0 Percent @ Age 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life	Monthly for life
Retirement age	Age 50 to 55	Age 50 to 63	Age 50 to 67
Monthly benefits, as a % of annual salary	2.0 to 2.7 percent	1.092 to 2.418 percent	1.0 to 2.5 percent
Required employee contribution rates	8.0 percent	7.0 percent	6.75 percent
Required employer contribution rates	11.816 percent	11.816 percent	11.816 percent

Contributions - Section 20814(c) of the California Public Employees' Retirement law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rates of employees.

For the year ended June 30, 2021, the Authority's proportionate share of the City's contribution to the Plan was $105,686.

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2021, the Authority reported a liability of $1,030,590 for its proportionate share of the City's net pension liability.

The net pension liability of the Plan was measured as of June 30, 2020 and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020. The Authority's proportion of the City's net pension liability was based on the Authority's Fiscal Year 2020 actual contributions to the City's pension plan relative to the total contribution of the City as a whole.

At June 30, 2020, the Authority's proportion was 2.00% which is flat to its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the Authority's recognized pension expense was $155,318. At June 30, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made subsequent to the measurement date	$ 105,686	$ -
Difference between expected and actual experience	28,263	-
Net difference between projected and actual earnings on plan investments	22,789	-
Total	$ 156,738	$ -

The amount of $105,686 reported as deferred outflows of resources related to pensions resulting from the Authority's contributions to the City's plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be

recognized as pension expense as follows:

Year Ended June 30,		
2022	$	10,273
2023		15,290
2024		14,073
2025		11,279
	$	50,915

Actuarial Assumptions - The Authority's proportion of the City's total pension liability was derived from the June 30, 2019 valuation being rolled forward to determine the June 30, 2020 total pension liability, based on the following actuarial methods and assumptions:

Actuarial Valuation Date	June 30, 2019
Actuarial Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation Rate	2.50%
Investment Rate of Return	7.50%
Projected Salary Increase Rate	3.2% - 12.2% (1)
Mortality	Society of Actuaries Scale BB (2)

(1) Depending on age, service and type of employment.
(2) The mortality table used was developed based on CalPERS' specific data.

The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2017 experience study report.

The discount rate used to measure the total pension liability was 7.15 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. Based on those assumptions, each pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

In determining the long-term expected 7.15 percent rate of return on pension plan investments, CalPERS took into account both short and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the pension funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to the account for assumed

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	Target Allocations	Real Return Years 1 Thru 10[1]	Real Return Years 11 and Thereafter+[2]
Global Equity	50.00%	4.80%	5.98%

Asset Class	Target Allocations	Real Return Years 1 Thru 10[1]	Real Return Years 11 and Thereafter+[2]
Fixed Income	28.00%	1.00%	2.62%
Real Assets	13.00%	3.75%	4.93%
Private Equity	8.00%	6.30%	7.23%
Inflation Assets	0.00%	0.77%	1.81%
Liquidity	1.00%	0.00%	(0.92)%
Total	100%		

Discount Rate - The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. The tests revealed the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate, and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund. The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

Sensitivity of the Authority's proportionate share of the City's Net Pension Liability to Changes in the Discount Rate - The following table presents the Authority's proportionate share of the City of Palmdale's Miscellaneous Plan net pension liability as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the Authority's proportionate share of the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate.

	Discount Rate -1% 6.15	Current Discount Rate 7.15	Discount Rate +1% 8.15
Authority's proportionate share of the City's Net Pension Liability	$ 1,522,255	$ 1,030,590	$ 621,886

Pension Plan Fiduciary Net Position - Detailed information about the City's collective net pension liability is available in the City separate issued Annual Comprehensive Financial Report (ACFR) or in the separately issued CalPERS financial report which can be obtained from the CalPERS website. The City's ACFR may be obtained by contacting the City of Palmdale, Office of the Finance Manager, 38300 Sierra Highway, Suite D, Palmdale, California, 93550. Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report which can be obtained from the CalPERS website.

(13) Long-Term Debt

A. Revenue Bonds

2015 Multifamily Housing Revenue Bonds Payable ($4,235,000) - On September 3, 2015, the Housing Authority of the City of Palmdale issued $4,235,000 of Multifamily Housing Revenue Bonds (2015 Bonds). The Authority did not apply for a rating on the bonds, and no such rating should be assumed based upon any other Authority or City rating that may be obtained. Interest on the 2015 Bonds is payable semi-annually on December 1 and June 1 at rates ranging from 2.625 percent to 5.25 percent per annum. Principal installments are payable June 1 of each year from 2017 to 2045.

The 2015 Bonds maturing on or after June 1, 2026, may be redeemed on or after June 1, 2025, from moneys deposited in the Redemption Fund from any source of available funds, at a redemption price equal to the principal amount of Bonds called for redemption, together with accrued interest to the date fixed for redemption, without premium.

The 2015 Bonds maturing on or after June 1, 2025, are subject to extraordinary mandatory redemption from proceeds derived from sale or part of any of the Housing Facilities not elected by the Authority to be deposited in the Repair & Replacement Fund and used for the acquisition and/or construction of improvements and extensions to the Housing Facilities, but instead transferred to the

Redemption Fund, at a redemption price equal to the principal amount of Bonds called for redemption, together with accrued interest to the date fixed for redemption, without premium, on any date.

The 2015 Bonds maturing on any date, are subject to extraordinary mandatory redemption from insurance proceeds or condemnation proceeds not used for the purpose of repairing or replacing the property damaged, destroyed or taken, and transferred to the Redemption Fund pursuant to the Indenture or from proceeds of any foreclosure action under any of the Deeds of Trust transferred to the Redemption Fund, 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.

The proceeds of the 2015 Bonds were used to finance the acquisition of the Impressions, La Quinta, Park Vista, and Summerwood Apartments (collectively, the "Housing Facilities") all located within the City of Palmdale, to finance the costs to renovate portions of the Housing Facilities, pay costs related to the issuance of the bonds, and make a deposit to a Bond Reserve Account for the Bonds.

The 2015 Bonds are limited obligations of the Housing Authority of the City of Palmdale and are secured by a first pledge of all of the Net Revenues of the Housing Facilities and by the Trustee's interest in a Deed of Trust for each of the Housing Facilities. Net Revenues are derived primarily from rents received by the Authority from the operation of the Housing Facilities, less the costs of the operation and maintenance of the Housing Facilities. The 2015 Bonds are payable solely from the Net Revenues and other assets pledged under the Indenture. The 2015 Bonds do not constitute a debt or liability of the City, the State, or any political subdivision thereof, other than the Authority to the limited extent of the pledge.

Failure by the Authority to pay debt service on the Bonds constitutes an event of default under the Indenture and the Trustee is permitted to pursue remedies at law or in equity to enforce the Authority's obligation to make such payments. The Trustee has no right to accelerate the total unpaid principal amount of the debt service on the Bonds by reason of the occurrence of an event of default under the Indenture. If there is a default under the Indenture, the primary remedy of the Trustee is to foreclose on the real and personal property security granted pursuant to the Deeds of Trust and related documents. All amounts collected upon foreclosure of the Housing Facilities pursuant to the Deeds of Trust, after payment of costs of foreclosure, will first be used to pay amounts owing under the Indenture, including the payment of the Bonds.

Year Ending	Principal	Interest	Total
2022	$ 95,000	$ 182,395	$ 277,395
2023	100,000	178,951	278,951
2024	100,000	175,326	275,326
2025	105,000	171,701	276,701
2026	110,000	167,895	277,895
2027-2031	615,000	766,815	1,381,815
2032-2036	765,000	621,195	1,386,195
2037-2041	965,000	414,225	1,379,225
2042-2046	980,000	132,038	1,112,038
Totals	$ 3,835,000	$ 2,810,541	$ 6,645,541

B. Changes in Long-Term Liabilities

Activity for the year ended June 30, 2021 were as follows:

	Balance at June 30,2020	Additions	Retirements	Balance at June 30,2021	Due Within One Year
Compensated Absences Payable	$ 89,129	$ 4,760	$ -	$ 93,889	$ 50,983
2015 Multifamily Housing Revenue Bonds	3,925,000	-	90,000	3,835,000	95,000
Total Long Term Liabilities	$ 4,014,129	$ 4,760	$ 90,000	$ 3,928,889	$ 145,983

(14) Contingencies

Obligations of the Successor Agency Private Purpose Trust Fund

The former Community Redevelopment Agency of the City of Palmdale was dissolved on January 31, 2012. Obligations to be paid out

to the Successor Agency Private Purpose Trust Fund are included in the Required Obligation Payment Schedules (ROPS) which are subject to approval by the State Department of Finance. All obligations of the Successor Agency have been approved by the State Department of Finance, however, are still subject to audit by the County Auditor-Controller and the State Controller. Additionally, obligations on a future ROPS may be denied even if it was not questioned from a preceding ROPS.

(15) New Accounting Pronouncements

The GASB has issued the following pronouncements that have effective dates which may impact future financial statement presentation. The Authority has not determined the effect of the following Statements:

GASB Statement No. 87 - *Leases*.

GASB Statement No. 89 - *Accounting for Interest Cost Incurred Before the End of a Construction Period*.

GASB Statement No. 91 - *Conduit Debt Obligations*.

GASB Statement No. 92 - *Omnibus 2020*.

GASB Statement No. 93 - *Replacement of Interbank Offered Rates*.

GASB Statement No. 94 - *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*.

GASB Statement No. 96 - *Subscription-Based Information Technology Arrangements*.

GASB Statement No. 97 - *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*.

Required Supplementary Information

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Schedule of the Authority's Proportionate Share of the City's Net Pension Liability
Last Ten Years*

	2015	2016	2017	2018	2019	2020	2021
Authority's proportion of the net pension liability	2.10 %	1.96 %	2.00 %	2.00 %	2.00 %	2.00 %	2.00 %
Authority's proportionate share of the net pension liability	$ 728,131	$ 727,471	$ 824,554	$ 845,339	$ 864,469	$ 939,373	$ 1,030,590
Authority's covered payroll	$ 262,490	$ 260,428	$ 251,017	$ 264,742	$ 295,946	$ 300,612	$ 328,991
Authority's proportionate share of the net pension liability as apercentage of its covered payroll	277.39%	279.34%	328.48%	319.31%	292.10%	312.49%	313.26%
Plan fiduciary net postion as a percentage of the total pension liability	75.66%	75.86%	72.57%	74.09%	74.74%	75.66%	75.86%
Measurement Date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020

* - Fiscal year 2015 was the first year of implementation, thus only six years are presented.

Last Ten Years*

Contribution Years	2015	2016	2017	2018	2019	2020	2021
Contribution	$ 81,237	$ 83,721	$ 103,146	$ 70,190	$ 82,346	$ 95,420	$ 105,686
Contributions in relation to the contractually required contribution	(81,237)	(83,721)	(103,146)	(70,190)	(82,346)	(95,420)	(105,686)
Contribution deficiency	-	-	-	-	-	-	-
Covered payroll	$ 260,428	$ 251,017	$ 264,742	$ 295,946	$ 300,612	$ 328,991	$ 351,345
Contributions as a percentage of covered payroll	31.19 %	33.35 %	38.96 %	23.72 %	27.39 %	29.00 %	30.08 %

* - Fiscal year 2015 was the first year of implementation, thus only six years are presented.

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CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Honorable Members of the Board of Commissioners
of the Palmdale Housing Authority
City of Palmdale, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Palmdale Housing Authority (Authority), a component unit of the City of Palmdale, California (City) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated May 24, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as it relates to the Authority as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control as it relates to the Authority.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Rancho Cucamonga, California
May 24, 2022

MINUTES
CITY COUNCIL/SA/HA/IDA/PAA/PCA/PFA
CITY HALL COUNCIL CHAMBER
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
MARCH 16, 2022

www.cityofpalmdale.org

7:00 P.M.

1) MAYOR TO CALL THE MEETING TO ORDER

Mayor Pro Tem Loa called the meeting to order at 7:08 p.m.

2) PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE IN HONOR OF OUR TROOPS

Marcos Alvarez led the pledge of allegiance.

3) ROLL CALL MAYOR / CHAIR HOFBAUER, MAYOR PRO TEM / VICE CHAIR / CHAIR PRO TEM LOA, COUNCILMEMBERS / DIRECTORS / MEMBERS / COMMISSIONERS CARRILLO, BISHOP, BETTENCOURT COMMISSIONERS FRAGA-SAENZ, DENNY

PRESENT: Steven Hofbauer, Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt.
ABSENT: None.
Motion: Excuse the absence of Mayor Hofbauer.
Moved by Juan Carrillo, seconded by Richard J. Loa.

Vote: Motion carried (4-0)
Yes: Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt.
Absent: Steven Hofbauer.

4) WAIVER OF FULL READING OF RESOLUTION(S) and ORDINANCE(S)

Motion: Move to 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 Austin Bishop.

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

5) PUBLIC COMMENTS

The following individuals provided public comments:
Eugene Hernandez encouraged City Council to write a letter to Governor Newsom and State Senators regarding ending the gas tax.

Michelle Valmer, Vladimir Gomez, Christina Hayden, Nicole Teaque, Ruth Sanchez,Samantha Barbic, Ismael Galvanall shared views regarding the lack of support for the Walking With a Purpose event.

Xavier Flores encouraged Council support of a research project at R. Rex Parris High School.

Lancaster resident Dave Bowman commented regarding bettering the community.

Kevin Shenkman made comments regarding the sequencing of the Elections.

Maria Mainella requested a proclamation declaring April as “Child Abuse Awareness and Prevention Month”, and thanked Councilmember Bettencourt for participating in the project "You Matter." Ms. Mainella also inquired if Council would assist with stricter rules and laws related to Cannabis.

Marcos Alvarez expressed concerns regarding the lack of women's shelters in the City of Palmdale.

Jason Zink commented on homelessness, gas tax, and other miscellaneous items.

Eugene Hernandez encouraged the Council to review rent control in the City of Palmdale.

Motion: Close Public Comments.
Moved by Juan Carrillo, seconded by Laura Bettencourt.

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

6) WORKSHOP PRESENTATION(S)

6.1) Illegal Dumping Action Plan Updates. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

Deputy Director of Public Works Glidden provided an overview of the staff report. Management Analyst Mejia explained the PowerPoint presentation. Discussion ensued regarding illegal dumping, dump hours, and public outreach.

Motion: Move to open the Public Comments.
Moved by Juan Carrillo, seconded by Richard J. Loa.

Vote: Motion carried (4-0)
Yes: Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt.
Absent: Steven Hofbauer.

Jason Zink commented on the dump hours and suggested a Public Works yard on the eastside.

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

7) CONSENT CALENDAR

7.1) Receive the Summary of the Annual Housing Element Progress Report. (Staff Reference: Director of Economic and Community Development Garibay)

7.2) Approve Agreement with Kimley-Horn and Associates, Inc for professional services on PN 835, Palmdale Sustainable Transportation Plan, in the amount of $597,339. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

7.3) Adopt Resolution No. CC 2022-020, a Resolution of the City Council of the City of Palmdale authorizing the application for grant funds from the Recreational Trails Program for the Barrel Springs Trail Improvement Project. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

Councilmember Bettencourt pulled this item for discussion and suggested applying for grants funds that will benefit the eastside in the future. Councilmember Carrillo requested that staff identify City owned property on the eastside to see what qualifies for grant funding.

Motion: Adopt Resolution No. CC 2022-020.
Moved by Austin Bishop, seconded by Laura Bettencourt.

Vote: Motion carried (4-0)
Yes: Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt.
Absent: Steven Hofbauer.

7.4) Adopt Resolution No. CC 2022-025, a Resolution of the City Council of the City of Palmdale authorizing California Choice Energy Authority (CalChoice) to enter into a long-term renewable energy agreement with Powerex Corporation on behalf of Energy for Palmdale's Independent Choice (EPIC). (Staff Reference: Finance Manager: Kang, Presented by: Energy Resource Manager Salt)

Councilmember Bettencourt pulled this item for discussion.

Motion: Adopt Resolution No. CC 2022-025.
Moved by Juan Carrillo, seconded by Richard J. Loa.

Vote: Motion carried (3-1)

Yes: Richard J. Loa, Juan Carrillo, Austin Bishop.
No: Laura Bettencourt.
Absent: Steven Hofbauer.

7.5) Adopt Resolution No. CC 2022-030, a Resolution of the City Council of the City of Palmdale Authorizing Remote Teleconference Meeting of the City Council and All City Subordinate Bodies for the Period of March 24, 2022 - April 23, 2022. (Staff Reference: City Attorney Beck)

Motion: Approve items listed on the Consent Calendar except for 7.3 and 7.4.
Moved by Juan Carrillo, seconded by Austin Bishop.

Vote: Motion carried (4-0)
Yes: Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt.
Absent: Steven Hofbauer.

8) APPOINTMENTS

8.1) Approve District 4 Alternate Member nomination for appointment to the Measure AV Oversight Committee. (Staff Reference: City Clerk Smith)

Motion: Appoint Glenn Flood.
Moved by Juan Carrillo, seconded by Laura Bettencourt.

Vote: Motion carried (4-0)
Yes: Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt.
Absent: Steven Hofbauer.

8.2) Approve nominations for appointment of three Committee Members and one Alternate Committee Member to the Human Rights Advisory Committee. (Staff Reference: City Clerk Smith)

Motion: Appoint Darby Edwards for District 2.
Moved by Richard J. Loa, seconded by Laura Bettencourt.

Vote: Motion carried (4-0)
Yes: Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt.
Absent: Steven Hofbauer.

Motion: Appoint Rudolpho Perez for District 4.
Moved by Austin Bishop, seconded by Juan Carrillo.

Vote: Motion carried (4-0)
Yes: Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt.
Absent: Steven Hofbauer.

Motion: Appoint Shushank Pretrosyan District 3.
Moved by Laura Bettencourt, seconded by Juan Carrillo.

Vote: Motion carried (4-0)
Yes: Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt.
Absent: Steven Hofbauer.

A motion was made by Councilmember Carrillo to appoint Glenn Abram, the motion died for lack of a second.

Motion: Appoint Stephanie Rodgers as an alternate.
Moved by Richard J. Loa, seconded by Laura Bettencourt.

Vote: Motion carried (4-0)
Yes: Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt.
Absent: Steven Hofbauer.

9) JOINT NEW BUSINESS CC/SA/HA/IDA/PAA/PCA/PFA

9.1) Review and approve the FY 2022 mid-year budget adjustment, and adopt Resolution No. CC 2022-032, A Resolution of the City Council of the City of Palmdale amending the City's Classification and Pay Plan for Parks and Recreation Unbenefited Positions. (Staff Reference: Finance Manager Kang)

Assistant Finance Manager Samson provided a detailed overview of the FY 2022 mid-year budget adjustments. Councilmember Bettencourt inquired regarding the increase in funds for Parks and Recreation part time positions, and Director of Parks and Recreation Smith stated the pay scale was adjusted to align with similar paying positions. Councilmember Carrillo inquired about the graffiti truck and whether it would require an operator/employee. Interim City Manager Perez confirmed that an operator/employee would not be required. Discussion ensued.

Councilmember Bettencourt directed staff to provide an online report indicating all expenditures associated with the Measure AV funds.

The following individuals provided public comment:
Jason Zink commented regarding a homeless shelter in the City of Palmdale, Measure AV funds, waiving lifeguard lesson fees, and senior citizen subsidies.

Eugene Hernandez inquired regarding the mission statement of the Human Rights Advisory Committee.

Motion: Adopt Resolution No. CC 2022-032.
Moved by Austin Bishop, seconded by Christina Fraga-Saenz.

Vote: Motion carried (6-0)

Yes: Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt, Christina Fraga-Saenz, Phil Denny.
Absent: Steven Hofbauer.

10) PUBLIC HEARING

10.1) Public Hearing and Review of Proposed Ordinance No. 1579 for adoption. (Staff Reference: City Manager - City Clerk Division)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE ADOPTING A MAP DESCRIBING VOTING DISTRICT BOUNDARIES AND AMENDING CHAPTER 4.10 OF TITLE 4 OF THE PALMDALE MUNICIPAL CODE

Staff Recommendation: Adopt Ordinance No. 1579

Motion: Move to remove Item 10.1 from the agenda.
Moved by Juan Carrillo, seconded by Laura Bettencourt.

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

10.2) Public hearing to review and consider several proposed five (5) district draft maps provided by Compass Demographics, Inc. and discuss the potential move to five (5) council districts and rotating mayor.

Interim City Manager Perez provided a detailed overview of the staff report.

Mayor Pro Tem Loa opened the Public Hearing.

The following individuals provided public input:

Dave Bowman expressed his opinion of the fifth district and the process related to rotating the Mayor.

Kevin Shenkman commented in support of the five-districts map and confirmed the timeline for the adoption of the ordinance.

Vladimir Gomez spoke in favor of having five districts and equal representation.

V. Jesse Smith encouraged Council to approve and support the five-district map, which would support diversity in the community.

Jason Zink commented on the politics in the Antelope Valley and in opposition to the rotating mayor Item No. 10.2.

Ruth Sanchez voiced concerns regarding Latino representation.

Nicole Teaque spoke regarding equality.

Maria Mainella commented regarding equity.

Marcos Alvarez commented on representation and inclusivity and encouraged Council to adopt five districts.

Xavier Flores encouraged Council to move forward with the adoption of a five-district map.

Patricia Salazar provided comments in support of adopting five Council districts.

Carmen Molina commented regarding equality.

Nancy, Dayanna Noguera, Felix Menendez spoke regarding change and representation of Latinos.

Oscar commented in support of the five-districts maps.

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

Dave Ely, Compass Demographics, provided a brief summary of the five-districts maps that were drawn. Councilmember Carrillo asked which of the five options presented was the closest to the ten percent deviation. Mr. Ely stated that all the maps provided are approximately four (4) percent deviation. Discussion ensued.

Mayor Hofbauer made a motion to prepare a ballot measure as a Council i initiative, to be placed on the ballot of the next General Election for the City of Palmdale The motion failed due to the lack of a second.

Motion: Move forward with map #2 with a rotational mayor at the will of the Council on a one-year basis.
Moved by Juan Carrillo, seconded by Laura Bettencourt.

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

11) ADJOURN

Mayor Pro Tem Loa adjourned the meeting at 10:35 p.m. in honor of Mr. Avrum Harris.

PASSED, APPROVED, and ADOPTED this 4th day of May 2022.

_____
Steven D. Hofbauer, Mayor

ATTEST:

_____
Shanae S. Smith, City Clerk

MINUTES
CITY COUNCIL/SUCCESSOR AGENCY/HOUSING AUTHORITY
CITY HALL COUNCIL CHAMBER
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
APRIL 6, 2022

www.cityofpalmdale.org

5:00 P.M.

1) MAYOR TO CALL MEETINGS TO ORDER

Mayor Hofbauer called the meeting to order at 5:00 p.m.

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

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

ABSENT: None.

3) PUBLIC COMMENTS

Dave Bowman commented regarding the SALVA event and a public records request.

Xavier Flores commented on the SALVA event and the performance evaluation of City Attorney Beck.

Lisa Craft spoke in opposition to the Ritter Ranch project.

Marcos Alvarez announced a vote of no confidence for City Attorney Beck.

Rosie Mainella announced that a 5K run was scheduled for domestic violence.
Vladimir Gomez provided Council with clarification on the SALVA event.

4) PRESENTATION BY CITY ATTORNEY

City Attorney Beck confirmed that the items would be heard as listed.

4.1) CONFERENCE WITH LABOR NEGOTIATORS
City representatives: Steve Hofbauer, Mayor
Unrepresented employee: Ronda Perez, Interim City Manager

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

4.2) CONFERENCE WITH LABOR NEGOTIATORS
City representatives: Steve Hofbauer, Mayor
Unrepresented employee: Christopher Beck, City Attorney

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

4.3) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION The existing facts and circumstances that constitute a significant exposure tolitigation are detailed in the following claim received by the City, which is available for public inspection pursuant to Government Code Section 54957.5:
Claimant: Patricia Nevarez
City Claim No.: 2022-005
Date Filed: 1/27/22
Date of Loss: Various

4.4) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION The existing facts and circumstances that constitute a significant exposure to litigation are detailed in the following claim received by the City, which is available for public inspection pursuant to Government Code Section 54957.5:
Claimant: Shanae Smith
City Claim No.: 2022-005
Date Filed: 1/10/22
Date of Loss: Various

4.5) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION The existing facts and circumstances that constitute a significant exposure to litigation are detailed in the following claim received by the City, which is available for public inspection pursuant to Government Code Section 54957.5:
Claimant: Maithi Ricci
City Claim No.: 2021-047
Date Filed: 09/27/21
Date of Loss: 09/22/21

4.6) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION The existing facts and circumstances that constitute a significant exposure to litigation are detailed in the following claim received by the City, which is available for public inspection pursuant to Government Code Section 54957.5:
Claimant: Michael Behen
City Claim No.: 2022-008
Date Filed: 02/09/22
Date of Loss: Various

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

4.8) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: One case.
A point has been reached where, in the opinion of the City on the advice of the City Attorney, based on existing facts and circumstances, there is a significant exposure to litigation against the City. The City believes that the facts and circumstances that might result in litigation against the City are not yet known to a potential plaintiff or plaintiffs.

5) ANNOUNCEMENT BY CITY ATTORNEY

All Councilmembers were present and able to participate in all items.
Item 4.1 Conference with Labor Negotiators– Council conducted labor negotiations and provided unanimous direction to staff, up to and including the items in open session this evening. There was no further reportable action.

Item 4.2 Conference with Labor Negotiators– Council conducted labor negotiations and directed this item back at the May meeting. There was no further reportable action.

Item 4.3 Conference with Legal Counsel – Anticipated Litigation: Council was provided an update on this matter and provided unanimous direction to staff. There was no further reportable action.

Item 4.4 Conference with Legal Counsel – Anticipated Litigation: Council was provided an update on this matter and provided unanimous direction to staff. There was no further reportable action.

Item 4.5 Conference with Legal Counsel – Existing Litigation: Ricci v. City of Palmdale – Council was provided an update on this matter. There was no further reportable action.

Item 4.6 Conference with Legal Counsel – Anticipated Litigation: Council was provided an update on this matter and provided unanimous direction to staff. There was no further reportable action.

Item 4.7 Conference with Legal Counsel – Anticipated Litigation/Initiation: Council was provided an update on this matter and provided direction to staff. There was no further reportable action.

Item 4.8 Conference with Legal Counsel – Anticipated Litigation/Exposure: Council was provided an update on this matter. There was no further reportable action.

6) ADJOURN CLOSED SESSION MEETING

Mayor Hofbauer called the meeting to order at 7:08 p.m.

Motion: Move to continue Ritter Ranch Item 15.1 and 15.2 to April 20, 2022 meeting. Moved by Juan Carrillo, seconded by Steven Hofbauer.

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

7) PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE IN HONOR OF OUR TROOPS

8) ROLL CALL MAYOR/CHAIR HOFBAUER, MAYOR PRO TEM/CHAIR/VICE CHAIR LOA, COUNCILMEMBERS/DIRECTORS/COMMISSIONERS CARRILLO, BISHOP, BETTENCOURT COMMISSIONERS FRAGA-SAENZ, DENNY

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

9) PRESENTATIONS

9.1) Mayor Hofbauer presented a cute critter available for adoption at the Palmdale Animal Care Center.

9.2) Mayor Hofbauer presented a Proclamation to Rosie Mainella declaring April as Child Abuse Awareness and Prevention Month in the City of Palmdale.

9.3) Mayor Hofbauer presented Certificates of Recognition to the Antelope Valley Futbol Club (AVFC) for winning the 2022 Cal South State Cup.

9.4) Mayor Hofbauer presented a Proclamation to Chancela Al-Mansour, Housing Rights Center declaring April 2022 as Fair Housing Month in the City of Palmdale.

9.5) Mayor Hofbauer presented William Warford with a Commendation and Plaque for 38 years of service to the Antelope Valley Press.

10) WAIVER OF FULL READING OF RESOLUTION(S) and ORDINANCE(S)

Motion: Move to 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, Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt.

11) PUBLIC COMMENTS

The following individuals provided public comments:

Marcos Alvarez expressed concerns regarding Homeland Security showing up at a SALVA event.

Dave Bowman commented on the authority of the Mayor's office, five districts, and public funding of elections.

Yvette Mullen requested that her application receive equal opportunity to host an event at the Palmdale Amphitheater.

Eugene Hernandez suggested a prime desert woodland area in the City of Palmdale.

Kendra Kuhnhofer spoke in opposition to a signal on Avenue N. and 60th Street West.

Nicole McMillan representing the AV Wellbeing Coalition reported on a business incubator space.

Ruth Sanchez reported that her food bank provided meals for one hundred twenty-nine families. Ms. Sanchez also requested assistance to provide housing to homeless women.

Both Rosie Mainella and Pueblo Y Salud commented on the language for the smoking ban was not captured appropriately and requested the Ordinance be updated to reflect what was intended.

Magdy and Christine Hanna announced the opening of the Regency Palm Senior Living facility on Orchard View Place and Avenue Q. and invited Council to do a private walk through. The also requested help regarding a storm drain.

Angela Smith, Executive Director for the Regency Palm Senior Living facility introduced herself and thanked the City Council, Code Enforcement and Maintenance departments for cleaning the streets.

Steve Hill expressed concerns regarding a situation he experienced with the Los Angeles County Sheriff's Department and requested assistance from City officials.

12) HOUSING AUTHORITY CONSENT CALENDAR

12.1) Approve the License Agreement between Music and Kids and Housing Authority of the City of Palmdale for the Management of the Gabriel's House Program. (Staff Reference: Director of Neighborhood Services Miller - Presented by Housing Manager Reyes)

12.2) Approve the minutes from previous meetings. (Staff Reference: Authority Secretary Smith)

Motion: Loa/Fraga-Saenz
Approve all items listed on the Housing Authority Consent Calendar.
Moved by Richard J. Loa, seconded by Christina Fraga Saenz.
Vote: Motion carried (7-0)
Yes: Steven Hofbauer, Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt, Christina Fraga-Saenz, Phil Denny.

Eugene Hernandez expressed concerns regarding potential evictions, and requested rent control in the City of Palmdale.

Commissioner Fraga-Saenz announced the following:
Seasons of Service will be held on April 30, 2022 meeting up at 70th Street and Avenue S from 8:00am - 11:00am
SAVES Stamp Out Hunger will be held on May 12, 2022 from 11:00 am - 3:00 pm
Seasons of Service will be held on May 28, 2022 meeting up at 70th Street and Avenue R from 8:00am - 11:00am

13) ADJOURN HOUSING AUTHORITY

Mayor Hofbauer adjourned the Housing Authority meeting at 7:50 p.m.

14) CONSENT CALENDAR

14.1) Receive and file the monthly investment activity reports for February 2022. (Staff Reference: Finance Manager Kang)

14.2) Approve Second Amendment to professional services Agreement with Robert Half International, Inc. for an additional amount of $75,000 not to exceed amount of $125,000 for the term through June 30,2023 and approve the additional budget appropriation for $75,000 in the General Fund. (Staff Reference: Finance Manager Kang)

14.3) Approve the Measure AV Reserve Policy. (Staff Reference: Finance Manager Kang)

14.4) Adopt Resolution No. CC 2022-044, A Resolution of the City Council of the City of Palmdale Requesting a New Full-Time Position and Amending the City's Classification and Pay Plan for General Positions. (Staff Reference: Human Resources Manager Nevarez)

14.5) Approve Agreement No. A-7865 with Innovative Concert Lighting, Inc. to provide lighting production and equipment services for the Palmdale Amphitheater, in an amount not to exceed $117,000 for a three year term with two one-year options. (Staff Reference: Director of Parks and Recreation Smith)

14.6) Approve Agreement No. A-7866 with Pacific West Sound, Inc. to provide sound production and event equipment services for the Palmdale Amphitheater, in an amount not to exceed $242,000 for a three year term with two one-year options. (Staff Reference: Director of Parks and Recreation Smith).

14.7) Approve Third Amendment to the Agreement with Interwest Consulting Group for an amount, not to exceed $100,000. (Staff Reference: Director of Economic and Community Development Garibay)
Economic and Community Development - Building and Safety Division

14.8) Approve 4th Amendment to the Agreement with Bureau Veritas North America for an additional amount not to exceed amount of $120,000. (Staff Reference: Director of Economic and Community Development Garibay)

14.9) Approve the agreement with Karma Rescue, Inc. to administer a low or no cost spay and neuter program for Palmdale residents. (Staff Reference: Director of Neighborhood Services Miller- Presented by Public Safety Supervisor German)

Councilmember Bishop pulled this item for discussion. Council thanked staff for staying consistent and accomplishing this goal. Interim City Manager Perez stated this was accomplished by Measure AV funds.

Motion: Approve the agreement with Karma Rescue, Inc. to administer a low or no cost spay and neuter program for Palmdale residents.
Moved by Austin Bishop, seconded by Richard J. Loa.

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

14.10) Notice of Completion - Accept Public Improvements for Carmax located at northeast corner of 5th Street West and Technology Drive. (Staff Reference: Director of Public Works Heffernan)

Councilmember Bishop pulled this item for discussion and recused himself.

Motion: Accept Public Improvements for Carmax located at northeast corner of 5th Street West and Technology Drive.
Moved by Richard J. Loa, seconded by Juan Carrillo.

Vote: Motion carried (4-0)
Yes: Steven Hofbauer, Richard J. Loa, Juan Carrillo, Laura Bettencourt.

14.11) Award Construction Contract with Alfaro Communications Construction, Inc. for PN 670, Palmdale Blvd. and 15th St. East Intersection Improvement Project, in the amount of $648,250.60, for a term of 100 calendar days. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director Works Glidden)

14.12) Notice of Completion - Accept Completed Project with America Landscape Inc. for PN 758, Avenue S LMD Landscape Enhancement. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

14.13) Award Construction Agreement with ACCO Engineered Systems for PN 759, Palmdale Playhouse HVAC Replacement Phase 2, in the amount of $369,007.49, for a term of 7 months from the date of notice to proceed. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

14.14) Approve Amendment No. 3 for PN 795, Sam Yellen Park, Phase II, with KTUA in the amount of $182,665. (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 staff report and recommended that the amendment be approved with Public Works being able to revisit and bring back to Council again.

Motion: Approve Amendment No. 3 for PN 795, Sam Yellen Park, Phase II, with KTUA in the amount of $182,665 with the provision that further discussion and exploration occur with Councilmember Carrillo, staff, and interested parties. Moved by Steven Hofbauer, seconded by Juan Carrillo.

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

14.15) Award Construction Agreement with New Art Construction, Inc., for PN 837, IT Server Room Uninterruptable Power Supply, located at 38300 Sierra Highway, in the amount of $208,000 for a term of 18 weeks. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

14.16) Adopt Resolution No. CC 2022-028, a Resolution of the City Council of the City of Palmdale, approving Joint Resolution of the Board of Supervisors of the County of Los Angeles, the Board of Directors of the Antelope Valley Cemetery District, the Board of Trustees of the Antelope Valley Mosquito and Vector Control District, the Board of Directors of County Sanitation District No. 14 of Los Angeles County, the Board of Directors of Antelope Valley Resource Conservation District, the City Council of the City of Palmdale, and the Board of Directors of the Antelope Valley-East Kern Water Agency approving and accepting the negotiated exchange of property tax revenues

resulting from annexation of property designated as Annexation 40-153 (34-44), local agency Formation Commission Designation 2021-02, to the Los Angeles County Waterworks District No. 40, Antelope Valley. (Staff Reference: Director of Public Works Heffernan)

14.17) Adopt Resolution No. CC 2022-023, 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: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

14.18) Approve Final Tract Map No. 60431-01 (located at the southwest corner of Avenue M-8 and 70th Street West). (Staff Reference: Director of Public Works Heffernan)

14.19) Approve the minutes from the previous meetings. (Staff Reference: City Clerk/Agency Secretary Smith)

CC - February 16, 2022
CC/SA - March 2, 2022
CC - March 7, 2022

Motion: Approve all items on the Consent Calendar with the exception of 14.9, 14.10, and 14.14.
Moved by Richard J. Loa, seconded by Laura Bettencourt.
Vote: Motion carried (5-0)
Yes: Steven Hofbauer, Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt.

15) PUBLIC HEARING

15.1) Public Hearing and review of proposed Resolution No. CC 2022-031 for adoption. (Staff Reference: Director of Economic and Community Development Luis Garibay - Presented by Eric Norris)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE DENYING APPEAL 22-001 AND UPHOLDING THE PLANNING COMMISSION'S APPROVAL OF CONDITIONAL USE PERMIT 22-001 FOR THE IMPLEMENTATION OF PLANNED DEVELOPMENT DOCUMENT 21-001 AND VESTING TENTATIVE TRACT MAPS 51604, 51605, 51606, 51607, 52093, and 52116

15.2) Adopt Resolution No. CC 2022-029, a Resolution of the City Council of the City of Palmdale approving Interim Agreement associated with Ritter Ranch Master Planned Community and Community Facilities District No. 93-1 (Ritter Ranch) and actions referenced to therein. (Staff Reference: Director of Public Works Heffernan)

15.3) Public Hearing and Review of Proposed Ordinance No. 1579 for adoption. (Staff Reference: Interim City Manager Perez) ORDINANCE NO. 1579, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE , CALIFORNIA, TO ENSURE PALMDALE'S ELECTIONS COMPLY WITH THE CALIFORNIA VOTING RIGHTS ACT; AMENDING SECTIONS 2.080.10, 2.08.020, 2.08.030, 2.08.060, 4.10.010, 4.10.020, 4.11.010 and

4.11.020 OF THE PALMDALE MUNICIPAL CODE, ADDING SECTION 4.10.030 TO THE PALMDALE MUNICIPAL CODE, REPEALING SUBDIVISIONS (B) AND (C)(2) OF SECTION 2.08.025 OF THE PALMDALE MUNICIPAL CODE, ESTABLISHING DISTRICT-BASED ELECTIONS, DEFINING DISTRICT BOUNDARIES, AND SCHEDULING DISTRICT ELECTIONS

Interim City Manager Perez provided a brief overview of the staff report.

Mayor Hofbauer opened the Public Hearing.

The following individuals provided public comments.

Kevin Shenkman applauded the City Council and City Manager for expeditiously accomplishing an excellent district map and moving the City of Palmdale forward.

David Bowman expressed his views on the adoption of the maps and rotating mayor.

Michael Rives encouraged Council to submit the matter of the fifth district and a rotating mayor to the voters.

Debbie Kosel and Amanda Palmer commented in favor of the constituents having the right to vote for a mayor.

Xavier Flores, ALVA, shared his views on the redistricting process.

Ruth Sanchez commented regarding fair representation of all Palmdale citizens.

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

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

1579. Motion: Adopt Ordinance No. 1579.
Moved by Juan Carrillo, seconded by Laura Bettencourt.

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

16) NEW BUSINESS

16.1) Approve the First Amendment to Employment Agreement Between the City of Palmdale and Interim City Manager, Ronda Perez. (Staff Reference: Human Resources Manager Nevarez)

Motion: Approve the First Amendment to Employment Agreement with Interim City Manager Perez with proposed additional language to paragraph 1.
Moved by Richard J. Loa, seconded by Laura Bettencourt.

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

Bettencourt.

16.2) Approve the first amendment to employment agreement No. A-7065 between the City of Palmdale and Christopher Beck, City Attorney (Staff Reference: Human Resources Manager Nevarez)

Item 16.2 was tabled by Council.

17) INFORMATIONAL REPORT FROM MAYOR AND / OR COUNCILMEMBERS ON THEIR VARIOUS COMMITTEE MEMBERSHIPS AND MEETINGS ATTENDED AT PUBLIC EXPENSE

17.1) COMMITTEE MEMBERSHIPS.

- ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT - Councilmember Bishop reported the AVAQMD is making some changes to the alternative fuel program.
- ANTELOPE VALLEY TRANSIT AUTHORITY - Mayor Pro Tem Loa attended a celebration on March 16, 2022 recognizing AVTA for being the first all electric zero emissions transit agency in North America.
- LOS ANGELES COUNTY SANITATION DISTRICT - Mayor Hofbauer attended the Sanitation District meeting.
- SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS REGIONAL COUNCIL - Mayor Pro Tem Loa attended the SCAG meeting on April 7th and reported on the 2023 Active Transportation Program Guidelines and call for projects. Mike Behen reported on the $650M grant program and stated applications are due by June 15, 2023.

Mayor Pro Tem Loa announced he attended the Antelope Valley Hispanic Chamber 25th Anniversary Gala on March 4th, 2022.

Councilmember Carrillo reported attending the grand opening for Dutch Bros coffee shop.

Councilmember Bishop reported meeting with the Anaverde community regarding illegal dumping and semi-truck parking.

Councilmember Bettencourt announced she attended the Vet 4 Veterans, Homes 4 Families Builder's Ball, Welcome Home Vets for Veterans, and the You Matter event.

Mayor Hofbauer attended the National Defense Cities meeting.

17.2) MEETINGS ATTENDED AT PUBLIC EXPENSE

18) CITY MANAGER'S REPORT

Interim City Manager Perez stated City staff is working very hard to deliver projects. She also announced the Children's Spring Fest and Egg Hunt that will take place at Marie Kerr Park on April 13th.

19) CITY COUNCIL REQUESTS FOR NEW AGENDA ITEMS

20) Adjournment

Mayor Hofbauer adjourned the meeting at 10:02 p.m., in honor of his mother, Marilyn Hofbauer, to April 20, 2022, 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 2022.

_____
Steven D. Hofbauer, Mayor

ATTEST;

_____
Shanae S. Smith, City Clerk

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

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

DISTRICT: **ALL**

SUBJECT: **RECEIVE AND FILE THE MONTHLY INVESTMENT ACTIVITY REPORTS FOR APRIL 2022.**

ISSUE

Receive and file the monthly investment activity reports for April 2022.

RECOMMENDATION

Staff recommends that the City Council accept the monthly investment activity report for City of Palmdale and Successor Agency for April 2022.

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 and quarterly reports provide 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 interest rates presented are the most current rates available as of the date of this report.

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 $259,126,975, an increase of $20,072,341 from the previous month, and an increase of $75,056,444 in comparison to last year. The increase in overall portfolio balance from the previous month is a result of earned interest, and a $20,000,000 deposit made to one of the LAIF accounts from the General Fund to increase our investment portfolio.

The par value of Successor Agency's portfolio as of April was $11,846,392. The balance decreased by $14,668 from the last month due to operating expenditures paid out during the month.

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

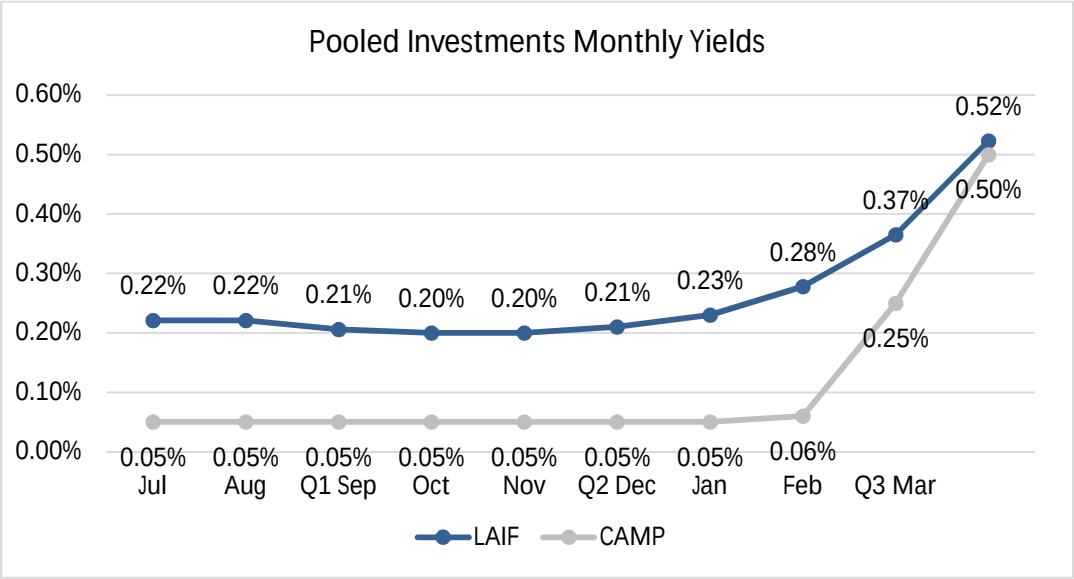
One core approach the Finance Division focuses on, is providing liquidity to measure up to the City and Successor Agency's operational requirements. Thus, the Finance Department is currently investing in two pooled funds, LAIF and CAMP. These are intended for the daily operational activities, used for 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 at the end of April is $85,077,206, an increase of $20,051,238, compared to the prior month. The increase in balance is due to interest received during the month, in addition to a $20,000,000 transfer into LAIF from the General Fund during the current month.

Successor Agency LAIF balance at the end of April was $3,700,688, a slight change from the prior month due to interest earned.

CAMP's balance for City of Palmdale is $248,914 compared to March's balance of $248,812. The slight increase is due to interest received during the month.

The interest rates presented are the most current rates available as of the date of this report. As of April 30, 2022, the interest rates for LAIF and CAMP investments were at .523 percent and .50 percent, respectively. By comparison, the LAIF and CAMP interest rates at the end of February were at .365 percent and .25 percent. Both rates have slightly increased within this month. This time last year, LAIF and CAMP rates were at 0.339 percent and 0.06, respectively.



The chart above shows both the Local Agency Investment Fund and California Asset Management Program's average monthly yields beginning July 2021 through April 2022, the graph depicts the decline last year and slow incline during the current year.

We anticipate the rates to increase in the upcoming months, considering the current state of the economy. 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.

<u>Diversity</u>

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, 2022.

It is anticipated that both the City of Palmdale and Successor Agency will have sufficient moneys to meet its expenditure requirements for the next 6 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, 2022.

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:	Gohar Avetisyan, Financial Analyst
Certified as to availability of Funds:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Acting 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, 2022
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			
05-31-19	04-30-24	CITY	9128286R6 U.S. Treasury Note		2.03	5,000,000.00	5,051,650.00	5,256,640.00
01-19-21	05-31-23	CITY	9128284S6 U.S. Treasury Note		2.75	2,815,000.00	2,985,994.41	2,950,035.55
03-19-21	12-31-25	CITY	9128285T3 U.S. Treasury Note		2.63	3,000,000.00	3,260,634.36	3,244,110.00
05-11-21	02-28-26	CITY	9128286F2 U.S. Treasury Note		0.66	3,000,000.00	3,261,331.50	3,231,330.00
05-11-21	12-31-24	CITY	9128283P3 U.S. Treasury Note		0.40	3,000,000.00	3,200,040.56	3,175,080.00
06-04-21	12-31-22	CITY	912828N30 U.S. Treasury Note		0.05	3,000,000.00	3,097,665.56	3,087,420.00
06-04-21	12-31-23	CITY	912828V23 U.S. Treasury Note		0.20	4,000,000.00	4,210,026.50	4,188,600.00
07-12-21	12-31-23	CITY	9128285U0 U.S. Treasury Note		2.63	5,000,000.00	5,294,239.83	5,294,239.83
07-12-21	12-31-25	CITY	9128285T3 U.S. Treasury Note		2.63	5,000,000.00	5,456,238.24	5,456,238.24
07-12-21	12-31-23	CITY	912828V23 U.S. Treasury Note		2.25	5,000,000.00	5,247,829.98	5,247,829.98
12-17-21	12-15-23	CITY	91282CBA8 U.S. Treasury Note		0.56	10,000,000.00	9,913,130.25	9,913,198.93
12-17-21	12-15-24	CITY	91282CDN8 U.S. Treasury Note (UBS)		0.85	10,000,000.00	10,045,505.25	10,046,054.70
12-22-21	12-15-23	CITY	91282CBA8 U.S. Treasury Note		0.56	5,000,000.00	4,957,270.88	4,957,391.07
12-22-21	12-15-24	CITY	91282CDN8 U.S. Treasury Note		0.88	5,000,000.00	5,018,208.38	5,019,169.92
12-20-21	12-15-24	CITY	91282CDN8 U.S. Treasury Note (Stifel)		1.00	5,000,000.00	5,017,187.50	5,018,011.68
			TOTAL U.S. TREASURY SECURITIES			$ 73,815,000.00	$ 76,016,953.20	$ 76,085,349.90
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	5,178,913.05
06-10-20	06-16-25	CITY	3133ELK37 Federal Farm Credit		0.78	5,000,000.00	5,000,000.00	5,000,332.40
08-07-20	05-06-24	CITY	3133EL2X1 Federal Farm Credit		0.42	2,000,000.00	2,000,000.00	1,985,613.10
08-27-20	11-27-24	CITY	3134GWNG7 Freddie Mac Domestic		0.50	2,000,000.00	2,000,000.00	1,998,606.02
04-01-21	04-01-25	CITY	3133EMUP5 Fed Farm Credit		0.71	5,000,000.00	5,000,000.00	5,001,585.95
05-11-21	09-04-25	CITY	3133EJYM5 FFCB Bond		0.59	1,000,000.00	1,103,275.25	1,094,660.00
05-11-21	09-04-25	CITY	3133EJYM5 FFCB Bond 0.57		0.57	2,000,000.00	2,208,460.00	2,189,320.00
06-04-21	11-07-25	CITY	3135G06G3 Fannie Mae		0.55	3,000,000.00	2,993,675.25	2,967,390.00
06-04-21	08-01-24	CITY	3130AMHH8 FHLB NOTE		0.41	4,000,000.00	4,000,000.00	3,979,555.16
06-07-21	06-07-24	CITY	3130AMQR6 FHLB NOTE		0.35	3,000,000.00	3,000,000.00	2,986,755.36
06-30-21	12-30-25	CITY	3130AMRQ7 FHLB NOTE		0.88	3,000,000.00	3,000,000.00	2,981,324.28
07-29-21	04-29-26	CITY	3130AN5C0 FHLB NOTE		1.05	4,000,000.00	4,010,455.13	4,010,455.13
12-17-21	11-12-25	CITY	3134GXBM5 FHLMC Note		1.15	1,150,000.00	1,125,785.50	1,126,456.33
12-17-21	12-30-24	CITY	3130AQDY6 FHLB		1.00	6,750,000.00	6,750,000.00	6,750,000.00
12-17-21	06-23-25	CITY	3133ENHW3 FFCB		1.17	10,000,000.00	10,000,000.00	10,000,000.00
12-20-21	07-30-25	CITY	3136G4ZP1 FANNIE MAE		0.65	3,500,000.00	3,444,175.00	3,453,085.42
12-20-21	09-24-25	CITY	3134GWUG9 FREDDIE MAC		0.57	10,000,000.00	9,806,600.00	9,820,375.00
12-21-21	12-22-26	CITY	3133ENJC5 FFCB		1.29	5,000,000.00	5,000,000.00	5,000,000.00
01-14-22	01-14-25	CITY	3130AQEA7 FHLB		1.05	7,000,000.00	7,000,000.00	7,000,000.00
	c = callable							
			TOTAL GOVERNMENT AGENCY PAPER			$ 82,400,000.00	$ 82,451,026.13	$ 82,524,427.20
CERTIFICATES OF DEPOSIT								
05-11-18	05-11-22	CITY	05580AMR2 Bmw Bank North America	35141	2.95	245,000.00	245,000.00	251,143.62
05-15-18	05-16-22	CITY	86063QAN5 Stifel Bank & Trust	57311	2.85	245,000.00	245,000.00	250,964.53
05-18-18	05-18-22	CITY	29278TBF6 Enerbank Usa	57293	2.95	245,000.00	245,000.00	251,216.88
05-31-17	05-31-22	CITY	02587CFM7 American Express Bk	35328	2.40	245,000.00	245,000.00	250,250.84
06-01-17	05-31-22	CITY	51210SMT1 Lakeside Bank	19573	2.00	245,000.00	245,026.85	249,319.60
05-10-18	05-10-23	CITY	61747MX30 Morgan Stanley Bank Na	32992	3.15	245,000.00	245,000.00	258,447.32
05-11-18	05-11-23	CITY	87164WWF1 Synchrony Bank	27314	3.15	245,000.00	245,000.00	258,465.69
05-11-18	05-11-23	CITY	17312QL23 Citibank Na	7213	3.15	245,000.00	245,000.00	258,465.69
05-15-18	05-15-23	CITY	20033AYE0 Comenity Capital Bank	57570	3.10	245,000.00	245,000.00	258,255.73
			TOTAL CERTIFICATES OF DEPOSIT			$ 2,205,000.00	$ 2,205,026.85	$ 2,286,529.90

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2022

CORPORATE NOTES

03-10-20	03-01-23	CITY	30231GAR3 Exxon Mobil	2.73	1,000,000.00	1,045,330.00	1,035,276.25
03-10-20	05-13-22	CITY	037833BF6 Apple Inc	2.70	1,000,000.00	1,039,820.00	1,021,372.65
03-10-20	11-03-22	CITY	594918BH6 Microsoft Corp	2.65	1,000,000.00	1,047,870.00	1,028,648.84
03-10-20	01-13-23	CITY	037833DE7 Apple Inc	2.40	1,000,000.00	1,041,800.00	1,032,294.50
03-10-20	12-14-22	CITY	92826CAC6 VISA Inc	2.80	1,500,000.00	1,572,135.00	1,549,706.22
06-10-20	04-15-23	CITY	30231GBL5 Exxon Mobil Corp	1.75	5,000,000.00	5,000,000.00	5,110,650.00
06-10-20	05-11-23	CITY	166764BV1 Chevron Corp	1.14	2,075,000.00	2,075,000.00	2,105,595.85
			TOTAL CORPORATE BONDS		$ 12,575,000.00	$ 12,821,955.00	$ 12,883,544.31

STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND

09-01-84	n/a	CITY ACCOUNT	98-19-620	0.78	30,118,304.25	30,118,304.25	30,118,304.25
06/23/08	n/a	PCA ACCOUNT	40-19-060	0.78	37,234,403.09	37,234,403.09	37,234,403.09
	n/a	ARPA ACCOUNT	19-19-004	0.78	17,724,498.78	17,724,498.78	17,724,498.78
			TOTAL LAIF ACCOUNTS		$ 85,077,206.12	$ 85,077,206.12	$ 85,077,206.12

CAMP- CALIFORNIA ASSET MANAGEMENT PROGRAM

6080-01	n/a	CITY ACCOUNT	6080-01	0.30	248,914.15	248,914.15	248,914.15
			TOTAL CAMP ACCOUNTS		$ 248,914.15	$ 248,914.15	$ 248,914.15

UBS FINANCIAL SERVICES

n/a	n/a	CITY ACCOUNT		0.00	21,003.33	21,003.33	21,003.33
			TOTAL UBS FINANCIAL SERVICES ACCOUNTS		$ 21,003.33	$ 21,003.33	$ 21,003.33

TOTAL CITY INVESTMENTS	$ 256,342,123.60	$ 258,842,084.78	$ 259,126,974.91

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2022

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	12,463.81
			TOTAL LIBRARY INVESTMENTS		$ 12,463.81

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	154,943.59
City Held Cash	(Fund 736-114000)	($255,912.67)			
			TOTAL SIERRA GATEWAY COMMUNITY FACILITIES DISTRICT 91-1		$ 155,050.21
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	2,585,454.57
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		$ 2,585,454.72
BOND PROCEEDS					
ANAVERDE COMMUNITY FACILITIES DISTRICT 2003-1					
Fiscal Agent: U.S. Bank National Association (fka First Trust)					
08-01-19	n/a	SP TAX - B BOND	242969000	0.00	19.33
08-01-19	n/a	RESERVE	242969003	0.00	722,953.75
08-01-19	n/a	SP TAX - REFUNDING BC	242969004	0.01	15,149.33
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		$ 738,422.83

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2022

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	0.00
08-02-05	n/a	RESERVE FUND	790330002	0.01	0.00

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

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

BOND PROCEEDS
2005 $7.2M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER) REFUNDED 2021
Fiscal Agent: U.S. Bank National Association (fka First Trust)

	n/a	SPEC TRB SER A/B	251009000	0.01	19.38
	n/a	RESERVE FUND	251009001	0.01	639,063.36

City Held Cash

TOTAL 2005 $7.2M COMMUNITY FACILITIES DISTRICT 05-1 (TRADE AND COMMERCE CENTER) REFUNDED 2021 $ 639,082.74

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	45,336.10
11-08-06	n/a	ADM EXP	106844002	0.01	1,594.41
11-08-06	n/a	RESERVE FUND	106844003	0.01	99,751.70

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

TOTAL 2006-1 Godde Hill Estate Sewer Improvements LOIB $ 146,682.21

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	0.00
04-12-07	n/a	RESERVE FUND	112055001	0.00	0.00

TOTAL 2007 $19.9M COP Power Plant Land Acquisition $ -

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	0.00
08-23-07	n/a	RESERVE FUND	117856002	0.01	0.00

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

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2022
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	0.33
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			$ 0.33
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	39,140.93
		TOTAL 2015 HA DEBT SERVICE RESERVE			$ 39,140.93
PARS RESTRICTED CASH FOR PENSION STABILIZATION TRUST FUND					
05-23-18	n/a	CITY	104790895775 Public Agency Retirement Services	2.60	6,854,560.88
		TOTAL PARS PENSION TRUST FUND			$ 6,854,560.88
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	168,695.09
09-03-15	n/a	INTEREST ACCT	277067001	0.01	7.06
09-03-15	n/a	BOND RESERVE	277067003	0.00	281,020.80
09-03-15	n/a	REPAIR & REPLACE FUN	277067004	0.00	1,114,742.57
		TOTAL 2015 HA $4.3M MULTIFAMILY HOUSING REVENUE BONDS			$ 1,564,465.52

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2022

BOND PROCEEDS

2017 PFA $17.4M LEASE REVENUE BONDS

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

04-05-17	n/a	REVENUE FUND	271128000	0.00		0.00
04-05-17	n/a	PRINCIPAL ACCT	271128002	n/a		0.00
			TOTAL 2017 PFA $17.4M LEASE REVENUE BONDS		$	-
		Total City Held Cash (XXX-114000)	$516,817.13			
			GRAND TOTAL - FISCAL AGENT CASH		$	15,063,277.63

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2022
SUMMARY OF CASH AND INVESTMENTS

Cash on Hand			$	14,295,289
Pooled Cash Investments				
City:	$	249,379,529		
Insur Fund:		$9,747,446	$	259,126,975
Library Investments				$12,464
Subtotal			$	273,434,728
City/AD/CFD/PCA/PFA/HA Fiscal Agent Cash			$	15,063,278 *
Grand total			$	288,498,006

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, 2022.

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
March 31, 2022
CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS

POOLED CASH - LOCAL AGENCY INVESTMENT FUND (LAIF), CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP), & UBS FINANCIAL SERVICES
April 30, 2022

TRANSACTION DATE	DEPOSIT	WITHDRAWAL	INTEREST RECEIVED	BALANCE
CITY ACCOUNT 98-19-620				
Beginning Balance				$ 30,094,590.89
04/15/22		$ -	$ 23,713.36	
Subtotal	$ -	$ -	$ 23,713.36	$ 30,118,304.25
PCA ACCOUNT 40-19-060				
Beginning Balance				$ 17,220,834.52
04/14/22	$ 20,000,000.00	$ -	$ 13,568.57	
04/15/22				
Subtotal	$ 20,000,000.00	$ -	$ 13,568.57	$ 37,234,403.09
LIBRARY ACCOUNT 16-19-012				
Beginning Balance				$ 12,454.00
04/15/22		$ -	$ 9.81	
Subtotal	$ -	$ -	$ 9.81	$ 12,463.81
ARPA ACCOUNT 19-19-004				
Beginning Balance				$ 17,710,542.41
04/15/22		$ -	$ 13,956.37	
Subtotal	$ -	$ -	$ 13,956.37	$ 17,724,498.78
CAMP - CALIFORNIA ASSET MANAGEMENT PROGRAM				
Beginning Balance				$ 248,812.09
04/29/22		$ -	$ 102.06	
Subtotal	$ -	$ -	$ 102.06	$ 248,914.15
UBS Financial Services				
Beginning Balance				$ 2.85
04/30/22		$ -	$ 21,000.48	
Subtotal	$ -	$ -	$ 21,000.48	$ 21,003.33
Total	$ 20,000,000.00	$ -	$ 72,350.65	$ 85,359,587.41

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
March 31, 2022

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS

POOLED CASH - INVESTMENTS MATURED OR CALLED

April 30, 2022

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)
						$ -		$0.00
						$ -		$0.00
				$ -	$ -	$ -	$ -	$ -

Total Number of Transactions: 0

CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
March 31, 2022
CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS

POOLED CASH - INVESTMENTS PURCHASED
April 30, 2022

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
				$ -		$ -		
			$ -	$ -	$ -	$ -	$ -	

Total Number of Transactions: 0

SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE
TREASURER'S REPORT OF INVESTMENTS
April 30, 2022

4/30/2022

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	3,700,687.94	
TOTAL LAIF ACCOUNTS						$ 3,700,687.94
			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	527,748.76	
08-20-02	n/a	INTEREST ACCT	94460701	0.01	28.91	
08-20-02	n/a	PRINCIPAL ACCT	94460702	0.01	0.15	
TOTAL CRA - 2002 Sub Lien Tax Allocation Bonds $5.3M ($5,329,748.25)						$ 527,777.82
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	1.29	
04-26-16	n/a	INTEREST ACCT	245113001	N/A	0.00	
TOTAL 2016 SA $31.5M Tax Allocation Refunding Bonds Series A						$ 1.29
GRAND TOTAL - FISCAL AGENT CASH						$527,779

SUMMARY OF CASH AND INVESTMENTS

Cash on Hand	$	7,617,925	$7,611,787
			($17,586)
Pooled Cash Investments	$	3,700,688	$23,724
			$7,617,925
Successor Agency Fiscal Agent Cash	$	527,779	
Grand total	$	11,846,392	

* 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, 2022.

S:\Cash and Investment\Investment\Investment Reports\21-22\10 April 2022\[10 April 2022 Investment Report Successor Agency.xls]GL Balances

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, 2022

TRANSACTION DATE	DEPOSIT	WITHDRAWAL	INTEREST RECEIVED	BALANCE
SA ACCOUNT 65-19-035				
Beginning Balance				$ 3,697,774.06
04/14/22			$ 2,913.88	
Subtotal	$ -	$ -	$ 2,913.88	$ 3,700,687.94

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE AGREEMENT WITH TURNER CONSULTING AND ACTUARIAL, LLC TO PROVIDE ACTUARIAL SERVICES IN AN AMOUNT NOT TO EXCEED $ 111,000.00 FOR A THREE (3) YEAR TERM WITH THE OPTION TO EXTEND FOR TWO (2) ADDITIONAL YEARS.**

ISSUE

Approve agreement with Turner Consulting and Actuarial, LLC. To provide actuarial services in an amount not to exceed $ 111,000.00 for a three (3) year term with the option to extend for two (2) additional years.

RECOMMENDATION

Staff recommends that the City Council:

1. Approve Agreement A-7938 for actuarial services between the City of Palmdale and Turner Consulting and Actuarial, LLC. Not to exceed $ 111,000.00 for a term of three (3) years, with the option to extend for two (2) additional years, commencing on July 1st, 2022, and to

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

BACKGROUND

The City of Palmdale has contracted with Turner Consulting and Actuarial, LLC since 2012 to provide actuarial service that estimates the Incurred But Not Reported (IBNR) claim liability reserves for the City's medical plan, and assists the City with setting renewal rates for the self-funded medical plan. The Consultant performs analyses of claims from the City's third-party administrator, Benefit and Risk Management Services (BRMS) and reviews claim and enrollment history as a part of this process. Assumptions relating to the City's self-funded administration fees, reinsurance (stop-loss) fees are

provided to the City in the form of a complete report detailing all results, from which the City may rely on for financial reporting and budgeting purposes.

DISCUSSION

The City wishes to engage in a professional service agreement with Turner Consulting and Actuarial, LLC to continue providing actuarial services relating to the City's medical plan for a term of three years with the option to extend two years. The firm specializes in actuarial and benefit consulting and has a proven track-record of positive financial results. The City is fully funded for claims, expenses, and IBNR reserves as a result of the strategic and customized advice that Turner Consulting and Actuarial, LLC has provided.

FISCAL IMPACT

$111,000; the fiscal impact will be $111,000 over a three (3) year term commencing on July 1, 2022. Funds are proposed in the Fiscal Year 2022-23 budget in account 15113001-721414. Below is the breakdown of the cost per year, over the three (3) year term.

Fiscal Year	**Amount**
FY 2022-23	$18,000
FY 2023-24	$21,000
FY 2024-25	$24,000
Total Contract Amount	**$111,000**

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.

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

Prepared by:	Janelle Samson, Director of Finance
Certified as to availability of Funds:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Attachment 'A' – Agreement A-7938

AGREEMENT NO. A-7938
CONTRACT FOR CONSULTANT SERVICES
BETWEEN THE CITY OF PALMDALE AND TURNER CONSULTING AND ACTUARIAL, LLC

THIS CONTRACT FOR CONSULTANT SERVICES ("Contract" herein) is made and entered into this 1st day of July, 2022 by and between the City of Palmdale a public body corporate and politic, (hereinafter called "CITY") and TURNER CONSULTING AND ACTUARIAL, LLC (hereinafter called "CONSULTANT").

RECITALS

WHEREAS, City desires to engage CONSULTANT to provide certain consultant services; and

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

WHEREAS, CONSULTANT desires to accept such engagement.

NOW, THEREFORE, the parties agree as follows:

1 DESCRIPTION OF WORK

1.1 The City hereby engages CONSULTANT, and CONSULTANT accepts such engagement, to provide the following services:

1. CONSULTANT shall provide actuarial service that estimates the Incurred But Not Reported (IBNR) claim liability reserves for the CITY's medical plan. The process shall include:

a. Review claim experience and enrollment history;

b. Analyze claim lag reports from the third party administrator (TPA) Benefit & Risk Management Services (BRMS), if available;

c. Develop completion factors, which indicate the amount of claims paid after a defined time period, using proprietary models developed by CONSULTANT and customized to each client;

d. Establish an estimated IBNR claim liability reserve annually as of June 30th;

e. Provide a written actuarial report that estimates the IBNR claim liability reserves and supporting spreadsheet;

f. Participate in a live conference call with interested parties to present results;

g. CONSULTANT shall complete IBNR claim liability reserve scope of work within 3 to 4 weeks following the receipt of complete data.

2. CONSULTANT shall assist the CITY with setting renewal rates for the self-funded medical plan. This service shall include the following activities:

a. Review 12 to 36 months of claim experience and enrollment history;

b. Evaluate the volatility of various aspects, such as weighting prior years' data analyzing the impact of high/low claim months on projections, considering large claim timing, case-specific trend (inflation) vs. industry trend factors, etc.;

c. Update IBNR claim reserves, using claim lag reports and proprietary completion factor models;

d. Identify claim fluctuation margin, using proprietary simulation results that show 70% - 95% confidence intervals for varying headcounts and risk tolerance;

e. Provide reasonable ranges for actuarial assumptions (trend factors, expenses, margin, etc.) and solicit CITY input and agreement on all assumptions;

f. Include self-funded administration fees;

g. Include self-funded reinsurance (stop loss) fees;

h. Compare total projected costs (and potential variance) to current self-funding rates in order to recommend a percent change from current rates;

i. Review budget and unrestricted financial reserves (non-IBNR) for appropriateness;

j. Draft a complete report detailing all findings and present results in person (including one onsite meeting per year);

k. Provide quarterly updates for early budgeting and strategic planning purposes;

l. The CITY will act as an intermediary between vendors and CONSULTANT to facilitate the collection of data in an efficient manner.

3. CONSULTANT shall assist the CITY with Vendor Marketing, Request for Proposal (RFP), proposal review and recommendations. CONSULTANT shall manage the RFP process, but will include the CITY in all aspects to ensure transparency. CONSULTANT shall perform the following RFP activities as needed:

a. Draft RFP documents including CITY objectives, plan design details, premium rate structure, vendor questions, proposal requirements, due dates, etc.;

b. Distribute RFP to mutually agreed upon vendors, including the major insurance companies (Aetna, Anthem Blue Cross, Blue Shield, CIGNA, HealthNet, Kaiser, and United Healthcare) and selected public agency pools that accept cities;

c. Answer vendor questions, review proposals, and present a summary report to the CITY regarding proposal results;

d. Conduct interviews, negotiate best and final offers, guarantees, and other financial aspects of bids;

e. Make recommendations based on proposal results.

4. If the CITY decides to select a new vendor from the RFP process, CONSULTANT will assist with implementation activities as needed. These activities include:

a. Review contract and assist in negotiation of final language;

b. Facilitate administrative transition details such as communications, banking, eligibility data transfer, IT system interaction, etc.'

c. Review claim system testing results to ensure smooth claim payments processes upon implementation;

d. Monitor ID card content and distribution timing;

e. Assist with self-funded plan termination, including vendor communications, runout claim payment, stop loss reinsurance requirements, IBNR fund management, etc.

5. CONSULTANT will assist the CITY as needed with other ad hoc projects associated with current health plans and vendors, including strategic planning, vendor renewals, negotiations, etc.

6. CITY recognizes CONSULTANT's fees assume completed data is provided in a clear and concise format that does not require manipulation, clarification, and/or verification of accuracy (other than a normal actuarial review of reasonableness and consistency).

CONSULTANT shall perform and complete all such work and services in a manner satisfactory to CITY.

1.2 Project deliverables shall be reviewed and approved by CITY to determine acceptable completion. CITY shall have the right to review and inspect the work during the course of its performance at such times as may be specified by CITY.

1.3 CONSULTANT shall not accept any change of scope, or change in contract provisions, unless issued in writing, as a contract change order or amendment and signed by CITY. Any extensions of time must be mutually agreed upon in writing and executed by both parties.

1.4 CITY shall provide to CONSULTANT, without charge, all data, program information, including reports, records, maps, and other information, now in CITY's possession, which may facilitate the timely performance of the work.

2 CITY PROJECT MANAGER

To provide the services required by this Contract, CONSULTANT shall act under the authority and approval of a Project Manager appointed by CITY. The City Project Manager will oversee the work under this Contract, assist CONSULTANT with any necessary information, audit billings, and approve payments. CONSULTANT shall channel reports, deliverables, and special requests through the City Project Manager.

3 CONSULTANT'S KEY PERSONNEL

CONSULTANT's Team and Key Personnel are as follows:

DAVID TURNER, FSA

This Consultant Services Contract has been awarded to CONSULTANT based on its representation that those personnel and subcontractors listed above will perform the portions of the work listed herein. CONSULTANT shall not deviate nor substitute any of these team members without prior written approval by CITY.

4 CONTRACT TERM

The term of this contract is three (3) years, commencing on July 1, 2022 with CITY reserving the option to extend the agreement for two (2) additional terms of one year each.

5 TAXES

5.1 CONSULTANT shall pay all sales, consumer, use, and other similar taxes required to be paid by CONSULTANT in accordance with state and local laws.

5.2 CONSULTANT is an independent contractor and shall have no power or authority to incur any debt, obligation, or liability on behalf of CITY. No person

employed by CONSULTANT or acting on its behalf, in connection with this Contract shall be considered the Agent or employee of CITY.

5.3 CONSULTANT shall be required to obtain a current City of Palmdale business license, as required by the Palmdale Municipal Code, before an Authorization to Proceed is issued.

6 PATENT FEES AND ROYALTIES

CONSULTANT shall pay all license fees and royalties and assume all costs incident to the use, in the performance of the work or the incorporation in the work of any invention, design, process, product or device which is the subject of patent rights or copyrights held by others. If a particular invention, design, process, product or device is specified by CITY for use in the performance of the work and if, to the actual knowledge of CITY, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights shall be disclosed by CITY in the contract documents. CONSULTANT shall indemnify and hold harmless CITY and anyone directly or indirectly employed by CITY from and against all claims, damages, losses and expenses (including attorneys' fees) arising out of any infringement of patent rights or copyrights incident to the use in the performance of the work, or resulting from the incorporation in the work of any invention, design, process, product or device not specified by CITY, and shall defend all such claims in connection with any alleged infringement of such rights.

7 STANDARDS OF PERFORMANCE

CONSULTANT shall be responsible for the completeness and accuracy of its services and work and documents resulting there from, and CITY shall not be responsible for discovering deficiencies therein. CONSULTANT shall correct any such deficiencies or errors without additional compensation and without cost to CITY, except to the extent any such deficiency is directly attributable to deficiencies in CITY -furnished information.

8 CONSULTANT'S PERSONNEL

8.1 All services required under this Contract shall be performed by CONSULTANT, or under CONSULTANT'S direct supervision, and all personnel shall possess the qualifications, permits and licenses required by State and local law to perform such services.

8.2 CONSULTANT shall be solely responsible for the satisfactory work performance of all personnel engaged in performing services required by this Contract, and compliance with all reasonable performance standards established by CITY.

8.3 CONSULTANT shall be responsible for payment of all CONSULTANT's employees' and subcontractor's wages and benefits and shall comply with all

requirements pertaining to the employer's liability, workers' compensation, unemployment insurance, and Social Security.

8.4 CONSULTANT shall indemnify and hold harmless CITY, and its respective officers, agents and employees from and against all claims, demands, damages or costs arising from CONSULTANT's acts or omissions with respect to any liability, damages, claims, costs and expenses of any nature arising from alleged violations of personnel practices.

9 COMPENSATION

9.1 For all of work and services including the various phases of tasks as described in Section 1, CITY shall pay to CONSULTANT an amount not to exceed the sum of One Hundred Eleven Thousand dollars ($111000.00), payable as follows:

FEE SCHEDULE - SEE EXHIBIT B

The Contract Price is CONSULTANT'S estimate of its charges for all of the services, including all labor, equipment, material, subcontractor and reimbursable costs, to be provided under this Agreement. Progress payments shall be made on a time and material basis. Final payment shall be made upon completion of all services and City acceptance of all deliverables, not-to-exceed the Contract Price.

9.2 CONSULTANT shall perform no work in excess of the total contract price without prior written approval of CITY. Total contract price includes expenses related to travel to and from CITY to meet with City and to appear, if so required, before City Council or any other board or commission of CITY.

9.3 CONSULTANT shall maintain adequate records and shall permit inspection and audit by CITY of CONSULTANT's charges under this Contract. CONSULTANT shall make such records available to CITY during normal business hours upon reasonable notice. Nothing herein shall convert such records into public records, and they will be available only to CITY and any specified public agencies. Such records shall be maintained by CONSULTANT for one (1) year following completion of the work under this Contract unless a longer period of time is required by state or federal law, in which event CONSULTANT shall retain its records for the time required by such laws.

9.4 No payment made hereunder by CITY to CONSULTANT, shall be construed as an acceptance by CITY of any work or materials, nor as evidence of satisfactory performance by CONSULTANT of its obligations under this Contract.

10 INDEMNIFICATION

To the fullest extent permitted by law, CONSULTANT and any contractors or subcontractors working on its behalf agree to indemnify CITY, its officers, employees, agents and elected and appointed boards (hereinafter "Indemnified Parties") for any loss, claim, demand, cause of action, cost, expense, damage, obligation or liability

which arises out of or is in any way connected with the performance of any work under this agreement, including any acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of CONSULTANT, its contractors or subcontractors, and regardless of any acts, omissions or negligence (whether active or passive) of any person or entity indemnified hereunder. At their own expense, CONSULTANT and, as applicable, any contractors or subcontractors working on its behalf, shall defend any suit, claim or action against the Indemnified Parties founded upon such loss, claim, demand, cause of action, cost, expense, damage, obligation or liability. CONSULTANT shall ensure that the contract of any contractor or subcontractor working under this agreement contain an indemnity agreement, requiring the contractor or subcontractor to indemnify and defend the Indemnified Parties pursuant the terms set forth above. CONSULTANT shall indemnify the Indemnified Parties, and save it harmless from any and all loss, damage, costs, expenses and attorney's fees suffered or incurred on account of any breach of the aforesaid obligations and covenants, and any other provision or covenant of this agreement.

11 INSURANCE

11.1 CONSULTANT, at its expense, shall maintain in effect at all times during the performance of work under this Contract not less than the following coverage and limits of insurance, which shall be maintained with insurers listed "A" or better in the Best's Insurance Guide and authorized to do business in the State of California. **Proof of Insurance, as identified in Section 11.8, must be reviewed and accepted by the City Attorney**.

11.1.1 Workers' Compensation and Employer's Liability

- Workers' Compensation—coverage as required by the State of California
- Employer's Liability:
  $1,000,000.00 each accident
  $1,000,000.00 policy limit bodily injury
  $1,000,000.00 each employee bodily injury by disease

11.1.2 Professional Liability (Errors & Omissions) Insurance*

- $1,000,000 limit on a per occurrence basis

11.1.3 Commercial General Liability

- $1,000,000.00 limit on a per occurrence basis
- $2,000,000.00 general aggregate limit

11.1.4 Commercial Automobile Liability

- $1,000,000.00 combined single limit including owned, non-owned and hired automobile coverage

11.2 All of CONSULTANT's policies shall contain an endorsement providing that written notice shall be given to CITY at least thirty- (30) calendar days prior to termination, cancellation or reduction of coverage in the policy.

11.3 Policies providing for bodily injury and property damage coverage shall contain the following:

A. An endorsement extending coverage to the City as an additional insured, in the same manner as the named insured, as respects liability arising out of the performance of any work under the Contract. Such insurance shall be primary insurance, as respects the interest of the City, and any other insurance maintained by the City shall be considered excess coverage and not contributing insurance with the insurance required hereunder. The certificate and endorsements shall state: "The City of Palmdale, the Successor Agency of the Community Redevelopment Agency of the City of Palmdale, Palmdale Civic Authority, Industrial Development Authority of the City of Palmdale, Palmdale Airport Authority, their officers, agents, employees and volunteers are named as additional insured's."

B. "Severability of Interest" clause.

11.4 Promptly on execution of this Contract, and prior to commencement of any work, CONSULTANT shall deliver to CITY certificates of insurance and endorsements to all required policies demonstrating that CONSULTANT has the required coverage and showing the required named insureds. Within five (5) days of written request from CITY, CONSULTANT shall deliver to CITY full and complete copies of all insurance policies required by this Contract.

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

11.6 Any policy or policies of insurance that CONSULTANT elects to carry as insurance against loss or damage to its equipment and tools or other personal property used in the performance of this Contract shall include a provision waiving the insurer's right of subrogation against CITY.

11.7 All insurance coverage must be maintained throughout the duration of this Contract.

11.8 Acceptable Proof of Insurance:

11.8.1 ACORD Certificate of Insurance listing all coverages, limits, deductibles and insureds; and endorsements for all applicable coverages if agent has authority to issue it; Additional insured Form CG20101185 or CG20100707 and CG20370704 or equivalent must be provided for general liability coverage.

Additional insured form CA0001 must be provided for automobile liability coverage.

11.8.2 Agents must confirm that policy endorsements have been ordered from the respective insurance companies. Upon issuance, policy endorsements listing all insurers must be submitted to the City Attorney.

11.8.3 *When professional (E&O) liability coverage is provided on a "claims made basis", CONSULTANT will continue to renew the insurance for a period of five (5) years after this Agreement expires or is terminated. Such insurance will have the same coverage and limits as the policy that was in effect during the term of this Agreement, and will cover CONSULTANT, or its officers, employees, or agents during the time this Agreement was in effect.

11.9 Notwithstanding any other provision of this Contract, CITY may immediately terminate this Contract if, at any time CONSULTANT fails to maintain the required insurance for any period of time or fails to comply with any of the insurance requirements listed above.

12 TERMINATION WITHOUT CAUSE

CITY reserves the right to terminate this Contract or any part thereof for its sole convenience with fifteen (15) days written notice. In the event of such termination, CONSULTANT shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and sub-consultants to cease such work. CONSULTANT shall also surrender to CITY all finished or unfinished documents or programs and other materials, which shall be City's property. As compensation in full for services performed to the date of such termination, the CONSULTANT shall receive an amount equal to the value of the work completed as of the termination date in accordance with the fee schedule or as negotiated between the parties. In no event shall the amount payable upon termination exceed the total maximum compensation provided for in this Contract.

13 TERMINATION FOR CAUSE

13.1 If the City determines that the CONSULTANT has failed to supply an adequate working force, or to provide services of proper quality, or has failed in any other respect to satisfactorily perform the services specified in this Contract, the City shall give written notice to the CONSULTANT specifying all defaults to be remedied within thirty (30) days. Such notice shall set forth the basis for the City's dissatisfaction and suggest corrective measures. If, after thirty days, the CONSULTANT has failed to implement the corrective measures, the City may elect to terminate this Contract, in whole or in part.

13.2 In the event the City terminates this Contract in whole or in part as provided herein above, the City may procure, upon such terms and in such manner, as it may deem appropriate, services similar to those terminated.

13.3 If this Contract is terminated as provided above, the City may require the CONSULTANT to provide all finished or unfinished documents, data, studies, software, drawings, maps, photographs, reports, etc., prepared by the CONSULTANT. Upon such termination, the CONSULTANT shall be paid an amount equal to the value of the services provided and work performed as of the date of termination. Such payment by the City may take into consideration the costs associated with hiring another CONSULTANT to complete the services. In the event no new CONSULTANT is employed, the CONSULTANT shall be paid an amount equal to the value of the work performed. In ascertaining the value of the work performed up to the date of termination, consideration shall be given to both completed work and work in progress, to complete and incomplete documents when such are delivered to CITY, and to authorized reimbursement expenses.

The above is in addition to any other remedies available by law or equity to the City.

13.4 If, after notice of termination of the Contract under the provisions of this Section 13, it is determined, for any reason, that CONSULTANT was not in default, or that the default was excusable, then the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Section 12.

14 DISPUTE RESOLUTION

All claims, disputes, and other matters in question between CITY and CONSULTANT arising out of, or relating to this Contract, or the breach thereof shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties.

15 OWNERSHIP OF DOCUMENTS

All documents, including, but not limited to, research, field notes, investigations, analysis, and studies which are prepared in the performance of this Contract are to be, and remain the property of CITY. CONSULTANT shall furnish CITY, upon its request, originals or reproducible or electronic copies of reports, studies and of all other documents listed above.

16 SUBCONTRACTING, DELEGATION AND ASSIGNMENT

16.1 CONSULTANT shall not delegate, subcontract or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of CITY; provided, however, that claims for money due or to become due to CONSULTANT from CITY under this Contract may be assigned to a bank, trust company or other financial institution without such approval. Any proposed delegation, assignment or subcontract shall provide a description of the services covered, identification of the proposed assignee, delegates or subcontractor, and an explanation of why and how

the same was selected, including the degree of competition involved. Any proposed agreement with an assignee, delegates or subcontractor shall include the following:

A. The amount involved, together with CONSULTANT's analysis of such cost or price; and

B. A provision requiring that any subsequent modification or amendment shall be subject to the prior written consent of CITY.

C. The requirement to hire only those persons authorized by federal law to work in the United States.

16.2 Any assignment, delegation or subcontract shall be made in the name of CONSULTANT and shall not bind or purport to bind CITY and shall not release CONSULTANT from any obligations under this Contract including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegates and subcontractors. No such assignment, delegation or subcontract shall result in any increase in the amount of total compensation payable to CONSULTANT under this Contract.

17 NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

17.1 In performance of this Contract, CONSULTANT shall not discriminate against any employee, subcontractor, or applicant for employment because of sex, color, race, religion, ancestry, national origin, disability, medical condition, marital status, sexual orientation, or age. CONSULTANT will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their sex, color, race, religion, ancestry, national origin, disability, medical condition, marital status, sexual orientation or age. Affirmative action relating to employment shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

17.2 The provisions of subsection 17.1 above shall be included in all solicitations or advertisements placed by or on behalf of CONSULTANT for personnel to perform any services under this Contract. CITY shall have access to all documents, data and records of CONSULTANT and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section, and all applicable provisions of Executive Order No. 11246 which is incorporated herein by this reference. A copy of Executive Order No. 11246 is available for inspection at, and on file with, the Palmdale City Clerk's Office.

18 FINANCIAL INTEREST CERTIFICATION

18.1 CONSULTANT warrants that no person has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission,

percentage, brokerage or contingent fee; and that no officer or employee of the CITY has any interest, financially or otherwise, in CONSULTANT's firm.

18.2 For breach or violation of this warranty, CITY shall have the right to annul this Contract without liability, or at its discretion to deduct from the Contract Price or consideration, the full amount of such commission, percentage, brokerage or contingent fee.

19 CONFLICT OF INTEREST

19.1 CONSULTANT stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this Contract or which would cause CONSULTANT to be "financial interested" (as provided in California Government Code Section 1090 et seq. or 87100 et seq.) in any contract or decision made by CITY on any matter.

19.2 CONSULTANT shall not employ any City official or employee to perform any work required pursuant to this Contract.

19.3 If CONSULTANT is a registered professional engineer or licensed land surveyor and the scope of work requires CONSULTANT'S recommendation of the actual formula to spread the costs of an assessment district's improvements, then CONSULTANT shall not participate in making that recommendation if the additional elements set forth in Government Code section 87100.1(c) apply. Those additional elements are: (1) CONSULTANT has received income of $250 or more for professional services in connection with any parcel included in the benefit assessment district within 12 months prior to the creation of the district; and (2) the district includes other parcels in addition to those parcels for which CONSULTANT received the income. In the event a conflict of interest does arise in that context, City shall select a different CONSULTANT to recommend the actual formula to spread the costs of the assessment district's improvements and the costs of such services shall be deducted from the compensation to be paid to CONSULTANT.

19.4 To the extent required by the City Manager/designee, CONSULTANT shall complete and file with the City Clerk a Form 700 Statement of Economic Interests disclosing any reportable property interests, income, gifts, investments, or business positions.

20 COMPLIANCE WITH LAW

20.1 CONSULTANT shall comply with all state and federal laws, including but not limited to, the requirement to hire only those persons authorized by federal law to work in the United States. If CONSULTANT uses any subcontractors to complete this

Contract, this same requirement shall be included in all subcontracts and strictly enforced by CONSULTANT.

20.2 The law of the state of California shall govern this Contract. The venue of any legal action, either formal or informal, shall be the County of Los Angeles.

21 NOTICES

Any notice required under this Contract shall be in writing, addressed to the appropriate party at its address on the signature page and given personally or by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.

22 ENTIRE CONTRACT AND AMENDMENTS

22.1 This Contract is the complete agreement between the parties and supersedes all prior proposals, agreements, and understandings between the parties and may not be modified or terminated orally.

22.2 No attempted waiver of any of the provisions hereof, nor any modification in the nature, extent or duration of the work to be performed by CONSULTANT hereunder, shall be binding unless in writing and signed by the party against whom the same is sought to be enforced.

22.3 The failure of any party to enforce against another party any provision of this Contract shall not constitute a waiver of that party's right to enforce such a provision at a later time, and shall not serve to vary the terms of this Contract.

23 ATTORNEY'S FEES

If any action at law or in equity is brought to enforce or interpret any provisions of this Contract, 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.

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

CITY OF PALMDALE:

Ronda Perez Date
Interim City Manager

ADDRESS FOR NOTICE:
CITY OF PALMDALE
38300 Sierra Highway, Suite D
Palmdale, CA 93550

TURNER CONSULTING AND ACTUARIAL, LLC:

4/28/2022

David E. Turner, Date
FSA

ADDRESS FOR NOTICE:
TURNER CONSULTING AND ACTUARIAL, LLC
3000-F Danville Blvd., Suite 156
Alamo, CA 94507

APPROVE AS TO FORM:

Christopher L. Beck
City Attorney

ATTEST:

Shanae S. Smith
City Clerk

ATTEST: If Corporation

Secretary

EXHIBIT B
FEE SCHEDULE

CONSULTANT'S services for the scope of work in Section 1 herein shall be a monthly retainer as shown below for each of the next 5 years. In the event of mid-year contract termination, the minimum annual fee for retainer work performed after commencement of this Agreement shall be 12 times the monthly retainer equal to the yearly fee shown below, since a significant amount of work may be front-loaded throughout the 12 month period.

July 1, 2022 to June 30, 2023: $1,500/month ($18,000 per year)
July 1, 2023 to June 30, 2024: $1,750/month ($21,000 per year)
July 1, 2024 to June 30, 2025: $2,000/month ($24,000 per year)

Optional Year 1: July 1, 2025 to June 30, 2026 ($24,000 per year)
Optional Year 2: July 1, 2026 to June 30, 2027 ($24,000 per year)

CITY shall reimburse only reasonable and necessary travel expenses actually incurred by CONSULTANT's personnel. Billing shall reflect travel expenses at cost with no markup.

Additional work beyond those activities listed in the scope of work will be billed at CONSULTANT's standard hourly rate of $250 per hour. Onsite meetings in addition to those outlined in the scope of services will require a minimum charge of $2,000 per day (8 hours).

City Council Staff Report

DATE: **MAY 4, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER DEPARTMENT**
FINANCE DIVISION

DISTRICT: **ALL**

SUBJECT: **RECEIVE AND FILE THE ANNUAL FINANCIAL REPORTS FOR THE YEAR ENDED JUNE 30, 2021 FOR THE PALMDALE CIVIC AUTHORITY, THE PALMDALE FINANCING AUTHORITY, AND THE PALMDALE COMMUNITY FOUNDATION**

ISSUE

Receive and file the Annual Financial Reports for the Year Ended June 30, 2021 for the Palmdale Civic Authority, the Palmdale Financing Authority, and the Palmdale Community Foundation.

RECOMMENDATION

Staff recommends that the City Council receive and file the independent auditor's unmodified (clean) report for the City's Annual Financial Reports for the Year Ended June 30, 2021, for the Palmdale Civic Authority, the Palmdale Financing Authority, and the Palmdale Community Foundation.

BACKGROUND

The Annual Financial Reports communicate the financial condition and activity for the Year Ended June 30, 2021, for each of the City's component units: the Housing Authority of the City of Palmdale, the Palmdale Civic Authority, The Palmdale Financing Authority and the Palmdale Community Foundation. Component units are defined as legally separate organizations for which the primary government in financially accountable or which the nature and significance of the relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Independent audits are performed for each of the four component units. The City's Annual Comprehensive Financial Report was brought before the City Council at the May 4, 2022, meeting, and is inclusive of the component unit financial information. The component unit information is then reported and audited separately in the form of individual Annual Financial Reports as required by the Governmental Accounting Standards Board.

DISCUSSION

The City contracted with Eide Bailly, LLP to perform the annual audit of the City's financial transactions for the Year Ending June 30, 2021. The independent auditors' unmodified (clean) report provides the assurance that the financial statements and audited information within, present fairly the unit's financial position for the Year Ended June 30, 2021.

Component unit statements are prepared in accordance with Generally Accepted Accounting Principles. The three (3) component unit statements, the Palmdale Civic Authority, the Palmdale Financing Authority, and the Palmdale Community Foundation, have received unmodified (clean) audit opinions for the year ended June 30, 2021. Attached are the financial statements, inclusive of the Auditor Opinions for review.

FISCAL IMPACT

There is no fiscal impact associated with this action.

STRATEGIC PLAN

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

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, Director of Finance
Certified as to availability of Funds:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Palmdale Civic Authority Annual Comprehensive Financial Report for the Year Ended June 30, 2021.
2. Palmdale Financing Authority Annual Comprehensive Financial Report for the Year Ended June 30, 2021.
3. Palmdale Community Foundation Financial Statements for the Year Ended June 30, 2021.

ANNUAL FINANCIAL REPORT

CITY OF PALMDALE, CALIFORNIA

PALMDALE CIVIC AUTHORITY

(A Component Unit of the City of Palmdale)

For the Fiscal Year Ended

June 30, 2021

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PALMDALE CIVIC AUTHORITY

ANNUAL FINANCIAL REPORT
JUNE 30, 2021

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITOR'S REPORT	1
BASIC FINANCIAL STATEMENTS	
Statement of Net Position	3
Statement of Revenues, Expenses and Changes in Fund Net Position	4
Statement of Cash Flows	5
NOTES TO THE BASIC FINANCIAL STATEMENTS	7
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*	19

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EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the Honorable Members of the Board of Directors
of the Palmdale Civic Authority
City of Palmdale, California

Report on the Financial Statements
We have audited the accompanying financial statements of the Palmdale Civic Authority (Authority), a component unit of the City of Palmdale, California (City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

What inspires you, inspires us. | eidebailly.com

10681 Foothill Blvd., Ste. 300 | Rancho Cucamonga, CA 91730-3831 | T 909.466.4410 | F 909.466.4431 | EOE

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of June 30, 2021, and the changes in its financial position, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated May 24, 2022, on our consideration of the City's internal control over financial reporting as it relates to the Authority and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance as it relates to the Authority.

Eide Bailly LLP

Rancho Cucamonga, California
May 24, 2022

CITY OF PALMDALE CIVIC AUTHORITY

STATEMENT OF NET POSITION
JUNE 30, 2021

Assets:		
Cash and Investments	$	1,079,833
Interest Receivable		1,039
Total Assets		1,080,872
Liabilities:		
Total Liabilities		-
Net Position:		
Unrestricted		1,080,872
Total Net Position	$	1,080,872

See Accompanying Notes to the Financial Statements

CITY OF PALMDALE CIVIC AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION FOR THE YEAR ENDING JUNE 30, 2021

Non-Operating Revenues:	
Interest Income from Leases Receivable	933,815
Interest Income	16,941
Net Decrease Fair Value of Investments	(4,002)
Total Non-Operating Revenues	946,754
Non-Operating Expenses:	
Lease Abatement Loss	1,321,985
Interest Expense	1,143,563
Total Non-Operating Expenses	2,465,548
Change in Net Position	(1,518,794)
Net Position, Beginning of Year	2,599,666
Net Position, End of Year	$ 1,080,872

See Accompanying Notes to the Financial Statements

CITY OF PALMDALE CIVIC AUTHORITY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING JUNE 30, 2021

Cash flows from non-capital financing activities:	
Payment from Palmdale Financing Authority	$ 13,443,015
Principal received from Leases Receivable	525,000
Interest income from Leases Receivable	933,816
Reversal of payments to the City	(5,103)
Net cash provided by non-capital financing activities	14,896,728
Cash flows from capital and related financing activities:	
Principal paid on Long-term Debt	(525,000)
Principal paid to Bond Escrow Agent	(14,765,000)
Interest on Debt	(964,964)
Interest Payment to Escrow Agent	(178,599)
Net cash used for capital and related financing activities	(16,433,563)
Cash flows from investing activities:	
Interest on Investments	16,827
Net cash used for investing activities	16,827
Net decrease in cash and cash equivalents	(1,520,008)
Cash and cash equivalents - Beginning of Year	2,599,841
Cash and cash equivalents - End of Year	$ 1,079,833

See Accompanying Notes to the Financial Statements

See Accompanying Notes to the Financial Statements

PALMDALE CIVIC AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

For the Fiscal Year Ended

June 30, 2021

CITY OF PALMDALE CIVIC AUTHORITY
TABLE OF CONTENTS TO THE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note No. **Page No.**

1. Summary of Significant Accounting Policies 9
A. Description of the Reporting Entity 9
B. Financial Statements Presentation, Basis of Accounting and Measurement Focus 9
C. Cash and Investments 10
D. Long-Term Obligations 10
E. Net Position 10
F. Use of Estimates 10
G. Implemented Accounting Pronouncements 10

2. Cash and Investments 11
A. Investments Authorized by the California Government Code and the Authority's Investment Policy 11
B. Interest Rate Risk 12
C. Credit Risk 13
D. Concentration of Credit Risk 13
E. Custodial Credit Risk 14
F. Disclosures Relating to Fair Value of Investments 14

3. Long-Term Receivables 15

4. Long-Term Debt 15
A. Certificates of Participation 15
B. Changes in Long-Term Liabilities 16

5. New Accounting Pronouncements 17

1) Summary of Significant Accounting Policies

A. Description of the Reporting Entity

The Palmdale Civic Authority of the City of Palmdale, California (Authority) was originally created under a joint powers agreement between the City of Palmdale (City) and the former Community Redevelopment Agency of the City of Palmdale (Agency) on May 1, 1976 for the purpose of financing public improvements in the City. The Authority is financially accountable to the City and, accordingly, is a component unit of the City although it is a separate legal entity. Assets of the Authority, after providing for all debts and obligations, are to be transferred to the City upon final payment of the loans.

The Authority is a component unit of the City of Palmdale, California (as defined by the Governmental Accounting Standards Board) and, as such, is included in the Comprehensive Annual Financial Report of the City. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. Although a legally separate entity, it is reported on a blended basis as part of the primary government (the City) because a voting majority of the Authority's governing board is appointed by the City Council and they are, in substance part of the City's operations.

The following is a summary of the significant accounting policies of the Authority.

B. Financial Statement Presentation, Basis of Accounting and Measurement Focus

The Authority's basic financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting principles.

The Authority reports its activities as an enterprise fund. The Authority's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period incurred regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from those revenues and expenses that are non-operating. Operating revenues are those revenues that are generated by leasing activities while operating expenses pertain directly to the furnishing of those services. Non-operating revenues and expenses are those revenue and expenses generated that are not directly associated with the normal business of debt activities.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

The Annual Financial Statements are intended to reflect the financial position, results of operation and net position of the City of Palmdale Civic Authority. They do not present fairly the financial position and results of operations of the City of Palmdale, California, in conformity with accounting principles generally accepted in the United States of America.

C. Cash and Investments

Cash includes amounts in demand deposits and petty cash on hand. Investments include amounts in the Local Agency Investment Fund. The Local Agency Investment Fund is reported at the carrying value because the fair value was not materially different

The Authority categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

D. Long-Term Obligations

In the statement of net position, long-term debt and other long-term obligations are reported as liabilities. Bond premium/discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported in the period the cost was incurred.

E. Net Position

Net position is classified in the following category:

Unrestricted – This component of net position consists of resources that are not restricted for use by the Authority.

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. Implemented Accounting Pronouncements

GASB Statement No. 84, Fiduciary Activities. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The City has determined that this statement does not apply to Palmdale Civic Authority.

GASB Statement No. 90, Majority Equity Interests – (an amendment of GASB Statements No. 14 and No. 61). The primary objective of this Statement is to improve consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity

interest using the equity method. The City has determined that this statement does not apply to Palmdale Civic Authority.

2) Cash and Investments

Cash and investments of the Authority are pooled with funds of the City for deposit and investment purposes, except for funds required to be held by outside fiscal agents. Interest earned on pooled cash and investments is credited to the Authority based on the Authority's month-end cash balance.

Statement of Net Position	
Cash and Investments with the City of Palmdale	$ 1,079,833
Total Cash and Investments	$ 1,079,833

Cash and investments as of June 30, 2021 consist of the following:

Investments:	
Cash and Investments with the City of Palmdale Investment Pool	$ 1,079,833
Total Cash and Investments	$ 1,079,833

Detailed information concerning the City's pooled cash and investments can be found in the City's Annual Comprehensive Financial Report for the year ended June 30, 2021.

A. Investments Authorized by the California Government Code and the Authority's Investment Policy

Investments of the Authority are pooled with funds of the City and therefore adhere to the City's Investment Policy. The table following identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements with the Authority, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer**
U.S. Treasury Obligations	5 years	None	None
U.S. Federal Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	2%
Municipal Obligations	5 years	10%	15%
Medium Term Corporate Notes	3 years	10%	None
Negotiable Certificates of Deposit	5 years	30%	15%
Overnight Bank Investment Pool	N/A	10%	None
Mutual Funds	N/A	15%	10%
Local Agency Investment Fund (LAIF)	N/A	None	$65,000,000
California Asset Management Program (CAMF	N/A	None	$65,000,000

*Excluding amounts held by bond trustees that are not subject to California Government Code restrictions
**Per Account

The City's investment policy also authorizes Demand Deposits of up to $2,000,000 (and $2,500,000 in the aggregate) with Bank of America or Wells Fargo Bank.

B. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Investment Policy of the City, Sections 4.1 and 4.2, provide guidelines for managing risk. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the Authority's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity:

Investment Type	Total	Remaining Maturity (in Months) 12 Months or Less
Cash and Investments with City of Palmdale Investment Pool	$ 1,079,833	$ 1,079,833
Total	$ 1,079,833	$ 1,079,833

C. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the Authority's investment policy, or debt agreements, and the actual rating as of year-end for each investment type:

Investment Type	Total	Minimum Legal Rating	Not Rated	AAA/Aaa
Cash and Investments with City of Palmdale Investment Pool	$ 1,079,833	N/A	$ 1,079,833	$ -
Total	$ 1,079,833		$ 1,079,833	$ -

D. Concentration of Credit Risk

The investment policy of the Authority contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no Investments in any one issuer that represent 5% or more of total Authority's investments.

E. Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Cash in City of Palmdale Investment Pool included City deposits with financial institutions in excess of federal depository insurance limits held in collateralized accounts, but not in the name of the City or the Authority. Detailed information concerning the City's pooled cash and investments can be found in the City's Annual Comprehensive Financial Report for the year ended June 30, 2020. The report can be obtained from the City's website at www.cityofpalmdale.org.

F. Disclosures Relating to Fair Value of Investments

The Authority categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

When quoted prices in active markets are available, investments are classified within Level 1. For investments classified within Level 2, the Authority's custodians generally use asset market prices derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, broker-dealer quotes and matrix pricing. The Authority does not have any investments classified with Level 3. Deposits and withdrawals in the City pool and LAIF are made on the basis of $1 and not fair value. Accordingly, the fair value measurements of these types of investments are based on an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

3) Long-Term Receivables

Leases Receivable

The Authority and the City of Palmdale have entered into lease agreements that obligate the City to pay lease payments to the Authority in consideration of the City's use and enjoyment of certain property and improvements. The lease payment schedules, as well as the facilities subject to the leases, are more fully described below in Note 4 A - Certificates of Participation. On May 27, 2021, the City issued the Refunding of the 2007 Certificates of Participation and thus also extinguished its agreement and its lease receivable with PCA. Lease receivable activity for the year ended June 30, 2021, was as follows:

	Balance at June 30, 2020	Additions	Deletions	Balance at June 30, 2021	Amount Due Within One Year
Lease Receivable Related to:					
2007 Certificate of Participation	$ 15,290,000	-	$ 15,290,000	$ -	$ -
	$ 15,290,000	$ -	$ 15,290,000	$ -	$ -

As of June 30, 2021, there are no future lease payments.

4) Long-Term Debt

A. Certificates of Participation

2007 Certificates of Participation Payable ($19,960,000) - On April 12, 2007, the Authority issued $19,960,000 of Certificates of Participation (2007 Certificates). Interest on the 2007 Certificates is payable semi-annually on April 1 and October 1 at rates ranging from 5.705% to 6.311% per annum. Principal installments are payable April 1 of each year from 2008 to 2037.

The 2007 Certificates maturing on April 1, 2017 and April 1, 2037, are subject to mandatory sinking fund redemption beginning on April 1 in each year after April 1, 2018, in the amount of the principal component of scheduled lease payments required to be made by the City together with interest accrued thereon, without premium. The 2007 Certificates maturing on or after April 1, 2015, are subject to mandatory redemption from the net proceeds of an insurance, title insurance, condemnation or eminent domain award on any date, in the amount of principal and accrued interest, to the extent that the City credits these proceeds towards the redemption of lease payments. The 2007 Certificates maturing on or after April 1, 2018, may be redeemed on or after April 1, 2017, from proceeds of optional lease prepayments made by the City, without premium.

The 2007 Certificates are subject to extraordinary redemption, in whole, on any date upon the election of the City to do so prior to (a) the commencement of construction of a power generating plant on the property, or (b) the closing of a construction loan to finance a power generating plant on the property, in the amount of principal and accrued interest, to the extent that the City credits these proceeds towards the prepayment of lease payments, without premium. The 2007 Certificates are subject to extraordinary redemption, in whole or in part, on any date on or after April 1, 2010, from the proceeds derived by the City of the sale of all or a portion of the property to the extent that the City credits these proceeds towards the prepayment of lease payments, without premium.

The proceeds of the 2007 Certificates were used to finance the acquisition of certain real property for future use as the site of a power generating plant and for other City uses. The 2007 Certificates represent direct, undivided fractional interests in a lease of the certain property to be the location of a power generating plant as discussed above.

The lease agreement requires the City to pay a semi-annual base rental on September 15 and March 15 to the Authority for the use and occupancy of the property through April 2037. The rentals will be used by the Authority to pay principal and interest with respect to the 2007 Certificates as they become due. Title to the property covered by the lease and the 2007 Certificates is vested in the Authority, for the benefit of the 2007 Certificate holders, during the lease term.

Upon completion of the term of the lease and payment in full to the 2007 Certificate holders, title to the property shall vest in the City. The City may, on any date, deposit sufficient funds into an irrevocable trust to pay all remaining lease payments, at which time the lease agreement shall cease and terminate and title to the property shall vest in the City.

On May 27, 2021, the Palmdale Financing Authority issued the Refunding of the 2007 Certificates with a private placement loan with Western Alliance Bank, in the amount of $13,584,908 with annual interest rate of 3.93 percent. The Refunding loan and other available funds in the trust accounts totaling $1,500,584 were used to refund the outstanding principal of the 2007 Certificates. As a result of the refunding, the City entered into a new Site Lease Agreement with Palmdale Financing Authority and terminated its existing lease agreement with Palmdale Civic Authority. In addition, the refunding resulted in a lease abatement loss of $1,321,985.

B. Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2021, was as follows:

	Balance at June 30, 2020	Additions	Retirements	Balance at June 30, 2021	Amount Due Within One Year
Lease Receivable Related to:					
2007 Certificate of Participation	$ 15,290,000	-	$ 15,290,000	$ -	$ -
	$ 15,290,000	$ -	$ 15,290,000	$ -	$ -

5) New Accounting Pronouncements

The GASB has issued the following pronouncements that have effective dates which may impact future financial statement presentation. The Authority has not determined the effect of the following Statements:

GASB Statement No. 87 – *Leases.*

GASB Statement No. 89 - *Accounting for Interest Cost Incurred Before the End of a Construction Period*.

GASB Statement No. 91 - *Conduit Debt Obligations*.

GASB Statement No. 92 - *Omnibus 2020*.

GASB Statement No. 93 - *Replacement of Interbank Offered Rates*.

GASB Statement No. 94 - *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*.

GASB Statement No. 96 - *Subscription-Based Information Technology Arrangements*.

GASB Statement No. 97 - *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*.

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Honorable Members of the Board of Directors
of the Palmdale Civic Authority
City of Palmdale, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Palmdale Civic Authority (Authority), a component unit of the City of Palmdale, California (City) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated May 24, 2022.

Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as it relates to the Authority as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control as it relates to the Authority.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Rancho Cucamonga, California
May 24, 2022

ANNUAL FINANCIAL REPORT

CITY OF PALMDALE, CALIFORNIA

PALMDALE FINANCING AUTHORITY

(A Component Unit of the City of Palmdale)

For the Fiscal Year Ended

June 30, 2021

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CITY OF PALMDALE FINANCING AUTHORITY

ANNUAL FINANCIAL REPORT
JUNE 30, 2021

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT 1

BASIC FINANCIAL STATEMENTS

Statement of Net Position 3

Statement of Revenues, Expenses, and Changes in Fund Net Position 4

Statement of Cash Flows 5

Notes to the Financial Statements 7

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* 20

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CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the Honorable Members of the Board of Directors
of the Palmdale Financing Authority
City of Palmdale, California

Report on the Financial Statements
We have audited the accompanying financial statements of the Palmdale Financing Authority (Authority), a component unit of the City of Palmdale, California (City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of June 30, 2021, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information
Management as omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated May 24, 2022, on our consideration of the City's internal control over financial reporting as it relates to the Authority and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance as it relates to the Authority.

Eide Bailly LLP

Rancho Cucamonga, California
May 24, 2022

CITY OF PALMDALE FINANCING AUTHORITY

STATEMENT OF NET POSITION
JUNE 30, 2021

Assets:	
Interest Receivable	$ 214,091
Leases Receivable - City of Palmdale:	
Current	2,686,700
Non-Current	30,176,255
Restricted Assets:	
Cash and Investments	1
Total Assets	33,077,047
Liabilities:	
Accrued Interest Payable	214,091
Non-current Liabilities:	
Due Within One Year	2,686,700
Due in More than One Year	30,176,255
Total Liabilities	33,077,046
Net Position:	
Unrestricted	1
Total Net Position	$ 1

See Accompanying Notes to the Financial Statements

CITY OF PALMDALE FINANCING AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION FOR THE YEAR ENDING JUNE 30, 2021

Non-Operating Revenues:	
Interest Income from Leases Receivable	1,023,342
Interest Income	5
Payment Received from Palmdale Civic Authority	141,893
Total Non-Operating Revenues	1,165,240
Non-Operating Expenses:	
Cost of Issuance	141,893
Interest Expense	1,023,385
Total Non-Operating Expenses	1,165,278
Change in Net Position	(38)
Net Position, Beginning of Year	39
Net Position, End of Year	$ 1

See Accompanying Notes to the Financial Statements

CITY OF PALMDALE FINANCING AUTHORITY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING JUNE 30, 2021

Cash flows from non-capital financing activities:	
Principal received from Leases Receivable	$ 1,665,000
Interest income from Leases Receivable	775,292
Net cash provided by non-capital financing activities	2,440,292
Cash flows from capital and related financing activities:	
Principal paid on Long-term Debt	(1,665,000)
Interest on Debt	(775,335)
Cost of Issuance	(141,893)
Proceeds from Bond Issuance	13,584,908
Payment to Palmdale Civic Authority	(13,443,015)
Net cash used for capital and related financing activities	(2,440,335)
Cash flows from investing activities:	
Interest on Investments	5
Net cash used for investing activities	5
Net decrease in cash and cash equivalents	(38)
Cash and cash equivalents - Beginning of Year	$ 39
Cash and cash equivalents - End of Year	$ 1

See Accompanying Notes to the Financial Statements

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PALMDALE FINANCING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

For the Fiscal Year Ended

June 30, 2021

CITY OF PALMDALE FINANCING AUTHORITY
TABLE OF CONTENTS TO THE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

Note No. **Page No.**

1. Summary of Significant Accounting Policies 9
A. Description of the Reporting Entity 9
B. Financial Statements Presentation, Basis of Accounting amd Measurement Focus 9
C. Cash and Cash Equivalents 9
D. Long-Term Obligations 10
E. Net Position 10
F. Use of Estimates 10
G. Implemented Accounting Pronouncements 10

2. Cash and Investments 10
A. Investments Authorized by Debt Agreements 11
B. Interest Rate Risk 11
C. Credit Risk 11
D. Custodial Credit Risk 12
E. Disclosures Relating to Fair Value of Investments 12

3. Long-Term Receivables 12
A. Leases Receivable 12

4. Long-Term Debt 14
A. Lease Revenue Bonds 14
B. Changes in Long-Term Liabilities 18

5. New Accounting Pronouncements 18

(1) Summary of Significant Accounting Policies

A. Description of the Reporting Entity

The Palmdale Financing Authority of the City of Palmdale, California (Authority) was originally created under a joint powers agreement between the City of Palmdale (City) and the Housing Authority of the City of Palmdale (Agency) on September 26, 2012 for the purpose of financing public improvements in the City. The Authority is financially accountable to the City and, accordingly, is a component unit of the City although it is a separate legal entity. Assets of the Authority, after providing for all debts and obligations, are to be transferred to the City upon final payment of the leases.

The Authority is a component unit of the City of Palmdale, California (as defined by the Governmental Accounting Standards Board) and, as such, is included in the Comprehensive Annual Financial Report of the City. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. Although a legally separate entity, it is reported on a blended basis as part of the primary government (the City) because a voting majority of the Authority's governing board is appointed by the City Council and they are, in substance part of the City's operations.

B. Financial Statement Presentation, Basis of Accounting and Measurement Focus

The Authority's basic financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting principles.

The Authority reports its activities as an enterprise fund. The Authority's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues and expenses are recognized in the period incurred regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from those revenues and expenses that are non-operating. Operating revenues are those revenues that are generated by leasing activities while operating expenses pertain directly to the furnishing of those services. Non-operating revenues and expenses are those revenue and expenses generated that are not directly associated with the normal business of debt activities.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

The Annual Financial Statements are intended to reflect the financial position, results of operation and net position of the City of Palmdale Financing Authority. They do not present fairly the financial position and results of operations of the City of Palmdale, California, in conformity with accounting principles generally accepted in the United States of America.

C. Cash and Cash Equivalents

Cash includes amounts in demand deposits and petty cash on hand. Investments include amounts in money market funds.

The Authority categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value:

Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

D. Long-Term Obligations

In the Statement of Net Position, long-term debt is a liability. Bond premium/discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

E. Net Position

Net position is classified in the following categories:

Unrestricted – This component of net position consists of resources that are available to the Authority.

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. Implemented Accounting Pronouncements

GASB Statement No. 84, Fiduciary Activities. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The City has determined that this statement does not apply to Palmdale Financing Authority.

GASB Statement No. 90, Majority Equity Interests – (an amendment of GASB Statements No. 14 and No. 61). The primary objective of this Statement is to improve consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. The City has determined that this statement does not apply to Palmdale Financing Authority.

(2) Cash and Investments

Cash and investments of the Authority are pooled with funds of the City for deposit and investment purposes, except for funds required to be held by outside fiscal agents. Interest earned on pooled cash and investments is credited to the Authority based on the Authority's month-end cash balance. In addition, restricted cash and investments were held by fiscal agents in accordance with bond indenture agreements.

Statement of Net Position	
Restricted Cash and Investments	$ 1
Total Cash and Investments	$ 1

Cash and investments as of June 30, 2021 consist of the following:

Investments:	
Held by Bond Trustees	$ 1
Total Cash and Investments	$ 1

Restricted cash and investments were held by a fiscal agent in accordance with the bond indenture agreement.

A. Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustees are governed by provisions of the trust agreements, created in connection with the issuance of debt rather than the general provisions of the California Government Code. Revenue Bond indentures specify the types of securities in which proceeds may be invested as well as any related insurance, collateral, or minimum credit rating requirements. Although requirements may vary between debt issues, money market funds are all required to be investment grade. Guaranteed investment contracts are required to be acceptable to the municipal bond insurer. The fair value of investments is based on the valuation provided by trustee banks.

B. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, more sensitive it is to changes in market interest rates. Information about the sensitivity of the fair values of the Authority's investments held by bond trustees to market interest rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity:

Remaining Maturity (in months)	Total	12 Months or Less
Investment Type		
Held by bond trustees:		
Money market funds	$ 1	$ 1
Total	$ 1	$ 1

C. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the debt agreement, and the actual rating as of year- end for each investment type:

Investment Type	Total	Minimum Legal Rating	AAA/Aaa
Held by bond trustee:			
Money market funds	$ 1	A	$ 1
Total	$ 1		$ 1

D. Custodial Credit Risk

Custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments.

E. Disclosures Relating to Fair Value of Investments

The Authority categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

When quoted prices in active markets are available, investments are classified within Level 1. For investments classified within Level 2, the Authority's custodians generally use asset market prices derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, broker-dealer quotes and matrix pricing. Money market investments are carried at amortized cost. The Authority does not have any investments classified with Level 1, 2 or 3.

Detailed information concerning the fair value measurement of the Authority's pooled cash and investments can be found in the City's Annual Comprehensive Financial Report for the year ended June 30, 2021. The report can be obtained from the City's website at www.cityofpalmdale.org.

(3) Long-Term Receivables

A. Leases Receivable

The Authority and the City of Palmdale have entered into lease agreements that obligate the City to pay lease payments to the Authority in consideration of the City's use and enjoyment of certain property and improvements. The lease payment schedules, as well as the facilities subject to the leases, are more fully described in Note 4 A – Lease Revenue Bonds. Lease receivable activity for the year ended June 30, 2021, was as follows:

	Balance at July 1, 2020	Additions	Payments	Balance at June 30, 2021	Amount Due Within One Year
Lease Receivable Related to:					
2012 Lease Revenue Bonds	$ 6,115,000	$ -	$ 570,000	$ 5,545,000	$ 575,000
2017 Lease Revenue Bonds	14,350,000	-	1,095,000	13,255,000	1,200,000
Plus: Deferred Issuance Premium $17.4M	664,801	-	186,754	478,047	154,243
2021 Lease Revenue Bonds (private placement)	-	13,584,908	-	13,584,908	757,457
Total Lease Receivables	$ 21,129,801	$ 13,584,908	$ 1,851,754	$ 32,862,955	$ 2,686,700

As of June 30, 2021, future lease payments for 2012 Lease Revenue Bonds are as follows:

Fiscal Year Ended	2012 Lease Receivable	
	Principal	Interest
2022	575,000	162,548
2023	590,000	147,248
2024	610,000	129,985
2025	625,000	111,460
2026	645,000	92,007
2027-2031	2,500,000	159,581
	$ 5,545,000	$ 802,829

As of June 30, 2021, future lease payments for 2017 Lease Revenue Bonds are as follows:

Fiscal Year Ended	2017 Lease Receivable	
	Principal	Interest
2022	1,200,000	547,288
2023	1,330,000	484,038
2024	1,465,000	414,163
2025	705,000	359,913
2026	750,000	323,538
2027-2031	3,790,000	872,915
2032-2034	4,015,000	215,516
	$ 13,255,000	$ 3,217,371

As of June 30, 2021, future lease payments for 2021 Certificates of Participation are as follows:

Year Ending	Principal	Interest	Total
2022	757,457	450,838	1,208,295
2023	703,899	504,119	1,208,018
2024	733,546	476,456	1,210,002
2025	762,314	447,627	1,209,941
2026	790,168	417,668	1,207,836
2027-2031	4,444,385	1,597,125	6,041,510
2032-2036	5,393,139	651,965	6,045,104
Totals	$ 13,584,908	$ 4,545,798	$ 18,130,706

(4) Long-Term Debt

A. Lease Revenue Bonds

2012 Lease Revenue Bond Payable ($8,695,000) - On December 19, 2012, the Authority issued $8,695,000 of Lease Refunding Revenue Bonds (2012 Bonds). Interest on the 2012 Bonds is payable semi-annually on March 1 and September 1 at rates ranging from 2.00% to 4.00% per annum. Principal installments are payable September 1 of each year from 2015 to 2029.

The 2012 Bonds maturing on or after September 1, 2015, are subject to extraordinary mandatory redemption from net proceeds of an insurance, title insurance, condemnation, or eminent domain award on any interest payment date, in the amount of principal and accrued interest, to the extent that the City credits these proceeds towards the prepayment of lease payments. The 2012 Bonds maturing on or after September 1, 2023, may be redeemed on or after September 1, 2022, from proceeds of optional lease prepayments made by the City, without premium.

The proceeds of the 2012 Bonds were used to refinance an existing lease and refund the related certificates of participation, to satisfy the reserve requirement of the bonds, and pay the costs incurred in connection with the issuance of the bonds.

The 2012 Bonds represent direct, undivided fractional interests in a lease of the City's Development Services Building and the South Valley Work Source Center. The City has the right, subject to certain conditions, to substitute alternate property for the above properties, as the property subject to the lease.

The lease agreement requires the City to pay a semi-annual base rental on August 15 and February 15 to the Authority for the use of the facilities through September 2029. The rentals will be used by the Authority to pay principal and interest with respect to the 2012 Bonds as they become due. Title to the land and facilities covered by the lease and the 2012 Bonds is vested in the Authority, for the benefit of the 2012 Bond holders, during the lease term.

Upon completion of the term of the lease and payment in full to the 2012 Bond holders, title to the property shall vest in the City. The City may, on any date, deposit sufficient funds into an irrevocable trust to pay all remaining lease payments, at which time the lease agreement shall cease and terminate and title to the property shall vest in the City.

If the City defaults in performance of its obligations under the Lease Agreement it shall be lawful for the Trustee, as assignee of the Authority, to exercise any and all remedies available pursuant to law or granted pursuant to the Lease Agreement; provided, however, that notwithstanding anything to the contrary in the Lease Agreement or in the Indenture, there shall be no right under any circumstances to accelerate the Lease Payments or otherwise declare any Lease Payments not then in default to be immediately due and payable or to terminate the Lease Agreement or to cause the fee interest or the leasehold interest of the City in the Property to be sold, assigned or otherwise alienated. The City has consented to the Authority's repossession of the Property if an Event of Default shall occur and consented to the Authority's re-letting of the Property for the account of the City. Notwithstanding any re-entry by the Authority, the City shall continue to remain liable for the payment of the Lease Payments and /or damages for breach of the Lease Agreement and the performance of all conditions contained in the Lease Agreement. The City shall remain liable for the payment of all Lease Payments and shall reimburse the Authority for any deficiency arising out of the re-leasing of the Property, or, in the event the Authority is unable to re-lease the Property, then for the full amount of all Lease Payments to the end of the Term of the Lease Agreement, but said Lease Payments and /or deficiency shall be payable only at the same time and in the same manner as provided for the payment of Lease Payments, notwithstanding such entry or re-entry by the Authority or any suit in unlawful detainer, or otherwise, brought by the Authority for the purpose of effecting such re-entry or obtaining possession of the Property or the exercise of any other remedy by the Authority.

Year Ending	Principal	Interest	Total
2022	575,000	162,548	737,548
2023	590,000	147,248	737,248
2024	610,000	129,985	739,985
2025	625,000	111,460	736,460
2026	645,000	92,007	737,007
2027-2031	2,500,000	159,581	2,659,581
Totals	$ 5,545,000	$ 802,829	$ 6,347,829

2017 Lease Revenue Bonds Payable ($17,475,000) - On April 5, 2017, the Palmdale Financing Authority issued $17,475,000 of Lease Revenue Refunding Bonds, Series 2017. Interest on the 2017 Series Bonds is payable semi-annually on November 1 and May 1 at rates ranging from 2.00% to 3.50% per annum. Principal installments are payable November 1 of each year to 2032.

The 2017 Series Bonds maturing on or after November 1, 2028, may be redeemed on or after November 1, 2027, from any available source of funds, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium. The 2017 Series Bonds are subject to special mandatory redemption as a whole, or in part on any date, from hazard insurance proceeds or condemnation proceeds not used to repair or replace any portion of the Property damaged or destroyed and elected by the Authority, at the discretion of the City, to be used for such purpose, at a redemption price equal to 100% of the principal amount thereof plus interest accrued thereon to the date fixed for redemption, without premium.

The proceeds of the 2017 Series Bonds were $18,894,256 ($17,475,000 principal and $1,419,256 premium), of which $18,505,222 (after a payment of $383,662 cost of issuance and debt service funds of $5,372) were contributed to Palmdale Civic Authority to advance refund all ($12,825,000) of the outstanding 2002 Certificates and all ($6,595,000) of the outstanding 2004 Certificates. Concurrently, the proceeds of the 2017 Bonds were used by the City to fully pay the outstanding lease receivable for the Palmdale Civic Authority's 2002 Certificate of Participation and 2004 Certificate of Participation.

The Bonds are payable from the revenues pledged under the Indenture, consisting primarily of lease payments to be made by the City of Palmdale to the Palmdale Financing Authority as rental for certain properties pursuant to a Lease Agreement. The 2017 Bonds represent direct, undivided fractional interests in a lease of the Palmdale City Hall, Palmdale Main Library, Larry Chimbole Cultural Center, Domenic Massari Park, and Desert Sands Park. The City has the right, subject to certain conditions, to substitute alternate property for the above properties, as the property subject to the lease.

The lease agreement requires the City to pay a semi-annual base rental to the Authority on October 25 and April 25 for the use of the facilities through November 2032. The rentals will be used by the Authority to pay principal and interest with respect to the 2017 Bonds as they become due. Title to the land and facilities covered by the lease and the 2017 Bonds is vested in the Authority, for the benefit of the 2017 Bond holders, during the lease term.

Upon completion of the term of the lease and payment in full to the 2017 Bond holders, title to the property shall vest in the City. The City may, on any date, deposit sufficient funds into an irrevocable trust to pay all remaining lease payments, at which time the lease agreement shall cease and terminate and title to the property shall vest in the City.

Should the City default under the Lease Agreement, the Trustee, as assignee of the Authority, may terminate the Lease Agreement and re-lease the Property or may retain the Lease Agreement and hold the City liable for all Lease Payments thereunder on an annual basis. Under no circumstances will the Trustee have the right to accelerate Lease Payments.

Year Ending	Principal	Interest	Total
2022	1,200,000	547,288	1,747,288
2023	1,330,000	484,038	1,814,038
2024	1,465,000	414,163	1,879,163
2025	705,000	359,913	1,064,913
2026	750,000	323,538	1,073,538
2027-2031	3,790,000	872,915	4,662,915
2032-2034	4,015,000	215,516	4,230,516
Totals	$ 13,255,000	$ 3,217,371	$ 16,472,371

2021 Certificates of Participation Payable ($13,584,908) - On May 27, 2021, the City issued the Refunding of the 2007 Certificates with a private placement loan with Western Alliance Bank, in the amount of $13,584,908 with annual interest rate of 3.93 percent. The Refunding loan and other available funds in the trust accounts were used to refund the outstanding principal of the 2007 Certificates carried on Palmdale Civic Authority's books. As a result of the refunding, the City entered into a new Site Lease Agreement with Palmdale Financing Authority and terminated its existing lease agreement with Palmdale Civic Authority. As of June 30, 2021, a total of $13,584,908 was outstanding. The lease agreement requires the City to pay a semi-annual base rental on August 15 and February 15 to the Authority for the use of the facilities through September 2029. The rentals will be used by the Authority to pay principal and interest with respect to the 2012 Bonds as they become due. Title to the land and facilities covered by the lease and the 2012 Bonds is vested in the Authority, for the benefit of the 2012 Bond holders, during the lease term.

A refinancing at this rate produces a present value savings to the City of approximately 15% of the outstanding balance of the 2007 COPs and a total estimated $4,247,425 reduction in debt service payments over 15 years, or approximately $267,000 per year, and an estimated economic gain of $2,474,462.

Upon completion of the term of the lease and payment in full to the lender, Western Alliance Bank, title to the property shall vest in the City. The City may, on any date, deposit sufficient funds into an irrevocable trust to pay all remaining lease payments on or after April 1, 2023 (option 1) or on or after April 1, 2029 (option 2), at which time the lease agreement shall cease and terminate and title to the property shall vest in the City.

In event of default under the lease, there is no available remedy of acceleration of the total lease payments due under the terms of the lease agreement. The City will only be liable for lease payments on an annual basis as they come due and the Trustee would be required to seek separate judgements for the annual lease payments that may include foreclosure of the property.

Year Ending	Principal	Interest	Total
2022	757,457	450,838	1,208,295
2023	703,899	504,119	1,208,018
2024	733,546	476,456	1,210,002
2025	762,314	447,627	1,209,941
2026	790,168	417,668	1,207,836
2027-2031	4,444,385	1,597,125	6,041,510
2032-2036	5,393,139	651,965	6,045,104
Totals	$ 13,584,908	$ 4,545,798	$ 18,130,706

B. Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2021, was as follows:

	Balance at July 1, 2020	Additions	Payments	Balance at June 30, 2021	Amounts Due Within One Year
2012 Lease Revenue Bonds	$ 6,115,000	$ -	$ 570,000	$ 5,545,000	$ 575,000
2017 Lease Revenue Bonds	14,350,000	-	1,095,000	13,255,000	1,200,000
2021 Lease Revenue Bonds (private placement)	-	13,584,908	-	13,584,908	757,457
Plus: Deferred Issuance Premium	664,801	-	186,754	478,047	154,243
Total	$ 21,129,801	$ 13,584,908	$ 1,851,754	$ 32,862,955	$ 2,686,700

(5) New Accounting Pronouncements

The GASB has issued the following pronouncements that have effective dates which may impact future financial statement presentation. The Authority has not determined the effect of the following Statements:

GASB Statement No. 87 - *Leases*.

GASB Statement No. 89 - *Accounting for Interest Cost Incurred Before the End of a Construction Period.*

GASB Statement No. 91 - *Conduit Debt Obligations*.

GASB Statement No. 92 - *Omnibus 2020*.

GASB Statement No. 93 - *Replacement of Interbank Offered Rates.*

GASB Statement No. 94 - *Public-Private and Public-Public Partnerships and Availability Payment Arrangements.*

GASB Statement No. 96 - *Subscription-Based Information Technology Arrangements.*

GASB Statement No. 97 - *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans.*

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Honorable Members of the Board of Directors
of the Palmdale Financing Authority
City of Palmdale, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Palmdale Financing Authority (Authority), a component unit of the City of Palmdale, California (City) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which comprise the Authority's basic financial statements, and have issued our report thereon dated May 24, 2022.

Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as it relates to the Authority as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control as it relates to the Authority.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Rancho Cucamonga, California
May 24, 2022

PALMDALE COMMUNITY FOUNDATION
(A California Non-Profit Corporation)

FINANCIAL STATEMENTS
With
INDEPENDENT AUDITOR'S REPORT THEREON

FOR THE YEAR ENDED
JUNE 30, 2021

PALMDALE COMMUNITY FOUNDATION
(A California Non-Profit Corporation)

FOR THE YEAR ENDED JUNE 30, 2021

CONTENTS

	PAGE
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statement of Net Position and General Fund Balance Sheet	3
Statement of Activities and General Fund Revenues, Expenditures and Change in Fund Balance	4
Notes to Financial Statements	5
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balance – General Fund – Budget and Actual	10
Note to the Required Supplementary Information	11

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Independent Auditor's Report

To the Board of Directors
Palmdale Community Foundation
City of Palmdale, California

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities and general fund of the Palmdale Community Foundation (a California nonprofit organization), a component unit of the City of Palmdale, California (City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which comprise the Foundation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Opinions
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and general fund of the Palmdale Community Foundation, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the budgetary comparison information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated May 5, 2022, on our consideration of the City's internal control over financial reporting as it relates to the Foundation and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance as it relates to the Foundation.

Eide Bailly LLP

Rancho Cucamonga, California
May 5, 2022

PALMDALE COMMUNITY FOUNDATION
(A California Non-Profit Corporation)

STATEMENT OF NET POSITION
AND GENERAL FUND BALANCE SHEET
JUNE 30, 2021

	General Fund	Statement of Net Position
Assets		
Cash	$ 250,927	$ 250,927
Total Assets	250,927	250,927
Liabilities		
Due to City	3,202	3,202
Total Liabilities	3,202	3,202
Fund Balance		
Restricted	247,725	247,725
Total Fund Balance	247,725	247,725
Total Liabilities and Fund Balance	$ 250,927	
Net Position:		
Restricted		247,725
Total Net Position		$ 247,725

The accompanying notes are an integral part of these financial statements.

PALMDALE COMMUNITY FOUNDATION
(A California Non-Profit Corporation)

STATEMENT OF ACTIVITIES AND GENERAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Statement of Activities
Revenues:		
Total Revenues	$ 132,960	$ 132,960
Expenditures/Expenses:		
Current:		
Health and Welfare	103,665	103,665
Capital Outlay	19,450	19,450
Total Expenditures/Expenses	123,115	123,115
Change in Fund Balance/Net Position	9,845	9,845
Fund Balance/Net Position, Beginning of Year	237,880	237,880
Fund Balance/Net Position, End of Year	$ 247,725	$ 247,725

The accompanying notes are an integral part of these financial statements.

PALMDALE COMMUNITY FOUNDATION
(A California Non-Profit Corporation)

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – ORGANIZATION

The Palmdale Community Foundation (the "Foundation"), a non-profit organization, is organized under the California Nonprofit Public Benefit Corporation Law for public purposes.

The specific purpose of the Foundation is to receive contributions and donations from the public and to use such contributions and donations to support charitable, literary, and educational activities authorized by Section 501 (c) (3) of the Internal Revenue Code, including the support of programs, projects, and activities sponsored by the City of Palmdale.

Persons appointed to the Foundation's Board of Directors must include the City Attorney of the City of Palmdale, the Finance Director of the City of Palmdale, and the Assistant to the City Manager of the City of Palmdale. If the number of authorized directors exceeds three (3), the additional Directors must be persons who are affiliated with public or private agencies that provide services to the public in the City of Palmdale.

The accounting policies of the Foundation conform to accounting principles generally accepted in the United States of America as they are applicable to governmental units. Since the Foundation was established by the City of Palmdale, to support or carry out public services, the Foundation, as a public corporation, is considered a governmental entity for financial statement reporting purposes. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Foundation is a component unit of the City of Palmdale, California (as defined by the Governmental Accounting Standards Board) and, as such, is included in the Comprehensive Annual Financial Report of the City.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The statement of net position and the statement of activities include all of the financial activities of the Foundation. All of the Foundation's activities are considered governmental in nature; therefore, the Foundation does not report any business-type activities. Governmental activities are typically supported by intergovernmental revenues and other nonexchange transactions.

The statement of activities demonstrates the degree to which the direct expenses of the Foundation are offset by general revenues.

The accounting used for the Foundation is the full accrual accounting method at the entity-wide level on the statements. This method of accounting is similar to private sector companies in that all the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available if they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Foundation considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. The Foundation accounts for all of its operating activities in its General Fund.

When both restricted and unrestricted net position is available, unrestricted resources are used only after restricted resources have been depleted.

Cash and Cash Equivalents

Cash and cash equivalents are stated at cost and consist of unrestricted demand deposits as of June 30, 2021.

Fund Balance

In the Fund Financial Statements, governmental funds may classify fund balances into five components whereby each component identifies the extent to which the Foundation is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The five components of the fund balance are as follows:

Nonspendable: Resources that 1) not in spendable form, such as inventories, prepaids, long-term receivables, or non-financial assets held for resale, or 2) required to be maintained intact such as an endowment.

Restricted: Resources that are subject to externally enforceable legal restrictions; these restrictions would be either 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation. Amounts received by the Foundation are donor restricted if they are received with donor stipulations that limit the use of the donated asset.

Committed: Revenues that are constrained to specific purposes by a formal action of the Foundation's Board, which constitutes the most binding constraint such as an ordinance. The constraint remains binding unless removed in the same formal manner by the Foundation's Board. The Foundation's Board action to commit fund balance must occur within the fiscal reporting period while the amount committed may be determined subsequently.

Assigned: Resources that are constrained by the Foundation's intent to be used for specific purposes, but that neither restricted nor committed. This policy delegates to the Finance Manager the authority to assign unrestricted fund balance amounts where the Foundation's intent is for those amounts to be used for specific purposes. This delegation of authority is for the sole purpose of reporting these amounts in the annual financial statements.

Unassigned: Within the General Fund, the residual resources, either positive or negative, in excess of what can be properly classified in one of the other four fund balance categories.

Net Position

Net position is classified in the following categories:

Restricted: This component of net position consists of resources (net assets) that are not available to the Foundation and are subject to externally enforceable legal restrictions (imposed by laws, regulations or external creditors and/or donors). Net assets consist of amounts received by the Foundation and are donor restricted if they are received with donor stipulations that limit the use of the donated asset.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, the Foundation's policy is to first apply restricted fund balance. When expenditures are incurred for purposes for which committed, assigned, or unassigned fund balances are available, the Foundation's policy is to first apply committed fund balance, then assigned fund balances, and finally unassigned fund balance.

Income Taxes

The Foundation is a non-profit public benefit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation and qualifies for deductible contributions as provided in Section 170(b) (A) (vi). It is also exempt from State Franchise and income taxes under Section 23701(d) of the California Revenue and Taxation Code. Accordingly, no provision for income taxes has been reflected in these financial statements. Income tax returns for 2015 and forward may be audited by regulatory agencies; however, the Foundation is not aware of any such actions at this time. The Foundation annually files forms 990, 199 and RRF-1 with the appropriate agencies.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 3 – CASH AND CASH EQUIVALENTS

Custodial credit risk is the risk that in the event of a bank failure, the Foundation's deposits may not be returned. The Foundation's cash balance of $250,927 as of June 30, 2021 represents amounts held with third-party depository financial institutions and cash on hand. As of June 30, 2021, the bank balance was $251,457, insured by the Federal Deposit Insurance Corporation (FDIC), up to $250,000.

NOTE 4 – RELATED PARTY TRANSACTIONS

The Foundation reimburses the City of Palmdale for the cost of providing the Foundation with various services, including accounting, administration, insurance and other services. Additionally, the Foundation provides various services to the community on behalf of the City of Palmdale. Amounts due to the City of Palmdale as of June 30, 2021 $3,202.

NOTE 5 – RESTRICTED FUND BALANCE

Amounts received by the Foundation are donor restricted if they are received with donor stipulations that limit the use of the donated asset. At June 30, 2021, the Foundation had fund balance with donor restrictions in the amount of $248,814 and held for the following programs and purposes:

Community Supported Programs	**Total Restricted Fund Balance**
Arts & Cultural Programs	$ 565
Best of the West Snack Bar	100
Community Gardens	836
Community Outreach	755
Community Programs	9,249
Emancipated Youth Program	13,386
Gabriel's House	458
Legacy Senior Center Programs	89
Library	682
Neighborhood Service Programs	16,275
Other	250
Parks & Recreation	10,362
Pelona Vista Fitness Court	566
Playhouse	4,551
R. Lee Ermey Memorial Avenue	277
SAVES Programs	92,448
Vietnam Memorial Wall	4,629
Warnack Foundation Programs	93,336
Undesignated	(1,089)
Total Restricted Fund Balance by Program	**$ 247,725**

NOTE 6 – RISK MANAGEMENT

The Foundation is exposed to various risks of loss related to torts, theft of assets, errors and omissions, and natural disasters. The Foundation participates in the City of Palmdale's commercial insurance programs, who obtains the appropriate insurance coverage needed by the Foundation from insurance companies. In the past three years, there have not been any settled claims which have exceeded insurance coverage.

REQUIRED SUPPLEMENTARY INFORMATION

PALMDALE COMMUNITY FOUNDATION
(A California Non-Profit Corporation)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – GENERAL FUND – BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual Amounts	(Negative)
Revenues:				
Total Revenues	$ 132,970	$ 132,970	$ 132,960	$ (10)
Expenditures:				
Current:				
Health and Welfare	103,670	103,670	103,665	5
Capital Outlay	19,450	19,450	19,450	-
Total Expenditures	123,120	123,120	123,115	5
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,850	9,850	9,845	(5)
Net Change in Fund Balance	9,880	9,880	9,845	(35)
Fund Balance - Beginning of Year	237,880	237,880	237,880	-
Fund Balance - End of Year	$ 247,760	$ 247,760	$ 247,725	$ (5)

PALMDALE COMMUNITY FOUNDATION
(A California Non-Profit Corporation)

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021

Budgetary Information

The Foundation's budget is prepared and adopted on a modified accrual basis, where all expenditures are accounted for when liabilities are incurred. The budgetary level of control is at the fund level.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Directors
of the Palmdale Community Foundation
City of Palmdale, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and general fund of the Palmdale Community Foundation (a California nonprofit organization), a component unit of the City of Palmdale, California (City), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements, and have issued our report thereon dated May 5, 2022.

Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as it relates to the Foundation as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control as it relates to the Foundation.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Rancho Cucamonga, California
May 5, 2022

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE THE CITY OF PALMDALE'S 2022 FIVE-YEAR CAPITAL IMPROVEMENT PLAN**

ISSUE

Approve the City of Palmdale's 2022 Five-Year Capital Improvement Plan.

RECOMMENDATION

Staff recommends that the City Council approve the 2022 Five-Year Capital Improvement Plan.

BACKGROUND

Each year the Public Works Department updates the City's Five-Year Capital Improvement Plan (CIP) to provide a basis for planning and budgeting significant capital projects. This process involves the review of the current Five-Year plan by all City departments. All suggestions for new projects are carefully considered for inclusion in the Five-Year CIP update. As new information becomes available to the city, current projects are sometimes revised or eliminated, and new projects are added.

The Five-Year CIP is simply a planning document and is divided into several categories including General City projects, Parks, Recreation and Culture projects, Street Improvement projects, Traffic/Transportation projects and Water Resource projects. Its purpose is to identify capital projects that are worthy of consideration to be undertaken within the next five years. From this list of projects identified in the CIP, selection is made of those projects that can realistically be funded in the upcoming fiscal year.

Approval of the annual City CIP budget by the City Council is the final determination of spending priorities for City capital projects for the budget year.

DISCUSSION

The 2022 Five-Year CIP is comprised of 111 proposed projects with an estimated value of $978,112,000. A copy of the condensed CIP project list is attached to this report for quick reference. A full copy of the 2022 Five-Year CIP has also been distributed for reference.

On May 12, 2022, the Planning Commission held a public hearing regarding the 2022 Five-Year Capital Improvement Plan. The Commission adopted a finding of consistency with the goals, objectives, and policies of all elements of the General Plan. Therefore, it is recommended that the City Council approve the 2022 Five-Year Capital Improvement Plan.

Detailed below are a few of the significant projects which the Public Works staff have or are working on for the 2021-2022 Fiscal Year:

Project	Budget	Funding Source
Rancho Vista Park - construction	$3,000,000	Park Fees
Courtneys Playground - construction	$40,000	Donation, Measure AV
Palmdale Film Stage – construction	$600,000	General Fund
Avenue R Complete Streets - bid and award	$13,000,000	Grant Funds, STPL Funds, Measure M
Yellen Park Phase 2 - Design	$750,000	Park Fees
Palmdale Recreation Center – feasibility/conceptual	$2,000,000	Measure AV
Measure R Freeway SR 14/SR 138 Improvements (4 projects – design)	$5,000,000	Metro Measure R

And below are a few of the projects on which staff will be working over the coming 2022-2023 Fiscal Year:

Project	Budget	Funding Source
Civic Center Complete Streets – construction	$4,000,000	Grant Funds, Measure R, Prop C
Q-12 Sidewalk Gap Closure – construction	$1,500,000	CDBG, Prop C
2022 Pavement Resurfacing - construction	$6,500,000	Prop C, Article 8
Citywide Facilities Security Improvements - construction	$1,900,000	Measure AV, Prop A
Measure R Freeway SR 14/SR 138 Improvements (construction - Palmdale Blvd/SR 14 Interchange)	+ $30 Million	Metro Measure R funding

Project	Budget	Funding Source
Upper Amargosa Creek Trail Enhancements – bid and construction	$2,000,000	Grant funds
Yellen Park Phase II - construction	$15,000,000	Measure AV, Park, Sewer
Courson Park – design	$4,150,000	Grant funding
McAdam Park Improvements – design	$650,000	Measure AV
ESCO Energy Efficiency Projects	$1,200,000	ARPA, Grant funds
LMD's - designs & constructions	$500,000	LMD

FISCAL IMPACT

There is no fiscal impact, as approval of this planning document does not represent approval of any of the individual projects listed in the document. Funds are appropriated to individual projects as those projects are approved by the City Council as part of the City's annual Capital Improvement budget.

STRATEGIC PLAN

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

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

Goal III: Invest in infrastructure to improve community viability.

B. Implement and administer environmentally sustainable programs
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:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENT:

FY 2022 Five-Year Condensed CIP project list

FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
PROJECT LIST

Project #	Title		Est. Total (in thousands)
GEN-001	City Beautification Program	$	375
GEN-002	Citywide Americans with Disabilities Act (ADA) Compliance	$	1,825
GEN-003	Focus Neighborhood Improvement Program	$	1,000
GEN-004	Westside Branch Library	$	18,520
GEN-005	Utility Undergrounding Program	$	3,000
GEN-006	Eastside Branch Library	$	18,520
GEN-007	Fire Stations 37, 133, 138, 139, & 140	$	40,350
GEN-008	Palmdale Playhouse Site Upgrades	$	546
GEN-009	Public Works Central Maintenance Facilities	$	12,450
GEN-010	Civic Center Emergency Operation Center	$	10,231
GEN-011	Palmdale Conference Center	$	40,000
GEN-012	IT Server Room Replacement	$	5,830
GEN-013	Navigation Access Center	$	11,360
GEN-014	Development Services A/C Units and EMS Replacement	$	500
GEN-015	Regional Recreation Center - MAV Community Ctr	$	100,076
GEN-016	Veterans Resource Ctr/Plant 42 Building Rehabilitation AKA "Bunker"	$	17,700
GEN-017	MAV Facility/ City staff relocation	$	1,500
GEN-018	Development Services Building Painting Project	$	100
GEN-019	Marie Kerr Park Recreation Center Roof Project	$	200
GEN-020	Library Improvements	$	850
GEN-021	Marie Kerr Park Recreation Center Door Canopy	$	260
	Total	$	285,193

FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
PROJECT LIST

Project #	Title		Est. Total (in thousands)
PRK-001	Drytown Water Park Maintenance Repairs and Upgrades	$	830
PRK-002	Arnie Quiones Park Upgrades	$	6,300
PRK-003	Best of the West Softball Complex Site Improvements	$	790
PRK-004	Palmdale Oasis Park Phase II	$	1,580
PRK-005	Tejon Park Upgrades	$	2,520
PRK-006	Trail Development Program	$	22,600
PRK-007	Avenue R/Divison Street Park	$	15,500
PRK-008	McAdam Park Improvements	$	760
PRK-009	Marie Kerr Pool Swim Deck Expansion and Pool Enclosure	$	15,080
PRK-010	Sam Yellen Park - Phase II	$	16,570
PRK-011	Domenic Massari Park Improvements	$	1,450
PRK-012	Courson Park Renovation Project	$	4,150
PRK-013	Domenic Massari Community Building	$	2,000
PRK-014	Marie Kerr Park Park and Ride	$	3,088
PRK-015	Joe Davies Airpark	$	110
PRK-016	Public Art Throughout City	$	300
PRK-017	Sports Fields Improvements/Youth League Facilities Upgrade	$	2,000
PRK-018	Park Master Plan	$	600
PRK-019	Park LED Field Lighting Inventory Project	$	2,500
PRK-020	McAdam Park Cultural Art Installation	$	300
PRK-021	Barrel Springs Tail Improvement Project	$	350
PRK-022	Oasis Park Pool Re-plastering Project	$	70
PRK-023	Marie Kerr Park Pool Re-plastering Project	$	70
PRK-024	McAdam Field Renovations	$	1,080
	Total	$	100,598

FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
PROJECT LIST

Project #	Title		Est. Total (in thousands)
STR-001	Active Transportation Program	$	4,860
STR-003	Sidewalk Improvement Program	$	5,000
STR-004	Street Resurfacing Program	$	37,500
STR-005	25th Street East Widening (Avenue R to Palmdale Blvd)	$	5,310
STR-006	30th Street East Improvements (Avenue R to Palmdale Blvd)	$	3,660
STR-007	40th Street East Improvements (Avenue S to Pearblossom Highway)	$	13,780
STR-008	Avenue M (AV Freeway to 10th West - southside only)	$	5,000
STR-009	Avenue M at 10th Street West Infrastructure Improvements	$	4,300
STR-010	Avenue M Grade Separation Project	$	82,840
STR-011	Avenue M Widening (Sierra Highway to 20th St. East - south side)	$	13,230
STR-012	Avenue N Widening (10th Street West to Sierra Highway)	$	16,370
STR-013	Avenue Q (SR-14 to Division Street)	$	4,340
STR-014	Avenue Q Widening (Sierra Highway to 20th Street East)	$	32,300
STR-015	Avenue R Complete Streets (Sierra Highway to 25th Street East)	$	12,688
STR-016	Avenue S (55th Street East to 70th Street East)	$	21,010
STR-017	Avenue S Improvement (25th Street East to 30th Street East)	$	870
STR-018	Avenue T @ Pearblossom Highway Widen Westbound Approach	$	2,160
STR-019	Rancho Vista Grade Separation Project	$	70,010
STR-021	Rayburn Road (Tierra Subida to Division Street)	$	9,150
STR-022	Sierra Highway Widening (Avenue R-8 to Avenue S)	$	9,260
STR-023	Technology Drive Widening (SR-14 to 3rd Street East)	$	9,740
STR-024	State Route 138 - 5th East to 10th East Improvments	$	20,668
STR-025	State Route 138 (SR-14)/ On & Off ramp at Palmdale Blvd.	$	34,000
STR-026	State Route 14- 10th Street West Widening/Interchange Project	$	24,223
STR-027	State Route 14 - Avenue N Overcrossing	$	44,000
STR-028	Avenue M Improvements - Sierra Highway to 10th Street East	$	2,000
STR-029	Bike Path - 60th Street West from Avenue N to Aqueduct	$	1,000

FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
PROJECT LIST

Project #	Title		Est. Total (in thousands)
STR-030	Tierra Subida/Avenue R-5/Rayburn Road Intersection Project	$	1,300
STR-031	Avenue Q Widening and Sierra Highway Bicycle Improvements	$	8,250
STR-032	Civic Center Complete Streets	$	3,819
STR-033	Palmdale Boulevard Sidewalk Improvements Phase II	$	10,920
STR-034	Avenue Q-12 (between 10th St. East to 12th St. East) Gap Closure	$	1,525
STR-035	Rancho Vista Widening @ 22nd Street West	$	150
STR-036	HSIP Roundabout at 40th Street East and Avenue S-8	$	2,890
STR-037	Rancho Vista Blvd at Sierra Highway Railroad Safety Crossing Improvements	$	9,000
STR-038	Ave R and Sierra Highway Railroad Safety Crossing Improvements	$	1,000
STR-039	NEC Ave R & Sierra Highway Right-Hand Turn Lane	$	750
	Total	$	528,873

FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
PROJECT LIST

Project #	Title		Est. Total (in thousands)
TRF-001	Traffic Signal Modification - Avenue M at 10th Street West	$	515
TRF-002	Traffic Signal - Avenue M at 4th Street East	$	650
TRF-003	Traffic Signal Modification - Avenue R at 47th Street East	$	420
TRF-004	Traffic Signal - Avenue S at Greenbrier Street	$	650
TRF-005	Traffic Signal - Town Center @ Bolz Ranch Road	$	650
TRF-006	Traffic Signal - Rancho Vista Blvd (Avenue P) at Homeridge Drive	$	650
TRF-007	Traffic Signal - Technology Drive (Avenue P-8) at 3rd Street East	$	650
TRF-008	Traffic Signal Modification - Rancho Vista Blvd. at 15th Street West	$	830
TRF-009	Traffic Signal - Ave R and 45th Street East	$	1,033
TRF-010	Traffic Signal - Rancho Vista & Armfield Signal and Interaction Safety Improvements	$	500
TRF-011	Traffic Signal - Avenue M and 20th Street East	$	500
TRF-012	Traffic Signal - Avenue M and 30th Street East	$	500
	Total	$	7,548

FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
PROJECT LIST

Project #	Title		Est. Total (in thousands)
WSR-001	Sewer Repairs	$	1,060
WSR-002	Amargosa Area Watershed Improvement Program	$	200
WSR-003	Anaverde Area Watershed Improvement Program	$	200
WSR-004	Pearland Area Watershed Improvement Program	$	200
WSR-005	Portal Ridge Area Drainage Improvement Program	$	200
WSR-006	Upper Amargosa Creek Recharge, Habitat Mitigation/Trail Enhancement	$	3,300
WSR-007	Rancho Vista Blvd Storm Drain System - 3rd St East to 15th St East	$	9,250
WSR-008	45th Street East Storm Drain - Avenue R to Palmdale Blvd.	$	3,480
WSR-009	Avenue Q Drainage Improvements-30th St East to 35th St East	$	290
WSR-010	Avenue R at 35th Street East Storm Drain	$	290
WSR-011	Avenue R at 37th Street East Storm Drain	$	1,330
WSR-012	Rancho Vista Blvd Sewer Upgrade 25th St. West to 10th St. West	$	1,740
WSR-013	30th Street West Sewer Upgrade from Ave P-8 to Joshua Ranch Road	$	850
WSR-014	Oasis Park Basin Upgrade	$	660
WSR-015	Pearland Drainage Plan Study	$	650
WSR-016	Division Street at Avenue R Regional Basin Design and Construction	$	32,200
	Total	$	55,900

CITY OF PALMDALE

California

2022 FIVE-YEAR CAPITAL IMPROVEMENT PLAN

DEPARTMENT OF PUBLIC WORKS

Program Management Division

City Planning Commission General Plan
Conformance May 12, 2022
Council Approval June 1, 2022

ACCREDITED AGENCY
A·P·W·A

Five-Year Capital Improvement Program Team

City Manager

Ronda Perez, Interim City Manager
Michael "Mike" Behen, MPA, Deputy City Manager

City Staff (Major Contributors)

Chuck Heffernan, P.E., Director of Public Works
Lynn Glidden, P.E., PMP, Deputy Director of Public Works
Nick Godin, P.E., CIP Manager
Bill Padilla, P.E., City Engineer
Ben Lucha, ENV SP, Environmental Resources Manager
Bruce Roadhouse, Maintenance Services Manager
Keri Smith, Director of Parks and Recreation
Joyce Workman, Senior Financial Analyst

Past Projects That Have Received Awards

The Department of Public Works has won several state and regional public works awards for notable projects and programs such as the:

APWA High Desert Project of the Year 2020 - Outstanding Public Works Project of the Year - Rancho Vista Boulevard Widening Gap Closure

APWA Project of the Year 2019 - Southern California Chapter - Drainage, Water and Wastewater - Upper Amargosa Creek Recharge Project.

APWA Project of the Year 2019 - Southern California Chapter - Recreation and Athletic Facilities - Pelona Vista Park Fitness Court

APWA Project of the Year 2018 - Southern California Chapter - Creative and Innovative - City's Streetlight Acquisition and Retrofit project

APWA High Desert Project of the Year 2018 - Best Use of Technology - Palmdale Council Chamber Audio/Visual Upgrade

ACCREDITED AGENCY

TABLE OF CONTENTS

INTRODUCTION
Summary……. 1
Chart: Funds Allocation…… 2
Project List…….. 3
Project Planning & Development Processes…… 9

FUNDING
Funding Sources For Capital Projects…… 12

GENERAL
Overview……. 19
Project List…….. 21
Individual Project Descriptions…… 22

PARKS & CULTURE
Overview……. 35
Project List…….. 37
Individual Project Descriptions…… 38

STREETS
Overview……. 51
Project List…….. 53
Individual Project Descriptions…… 55

TRAFFIC
Overview……. 75
Project List…….. 77
Individual Project Descriptions…… 78

WATERSHED RESOURCES
Overview……. 85
Project List……..…… 87
Individual Project Descriptions…… 88

CITY OF PALMDALE

INTRODUCTION

ACCREDITED AGENCY

A•P•W•A

CITY OF PALMDALE

Department of Public Works
Program Management Division

2022 FIVE-YEAR CAPITAL IMPROVEMENT PLAN

The City of Palmdale's 2022 Five-Year Capital Improvement Plan (CIP) is comprised of 116 proposed projects divided into five categories: General, Parks and Recreation, Streets, Traffic, and Watershed Resources. The Five-Year CIP is summarized as follows:

Category	Estimated Totals in Thousands	Total Projects
General	$ 289,803	24
Recreation & Culture	$ 100,598	24
Streets	$ 529,073	40
Traffic	$ 7,548	12
Watershed/Utilities	$ 55,900	16
TOTAL	**$ 982,922**	**116**

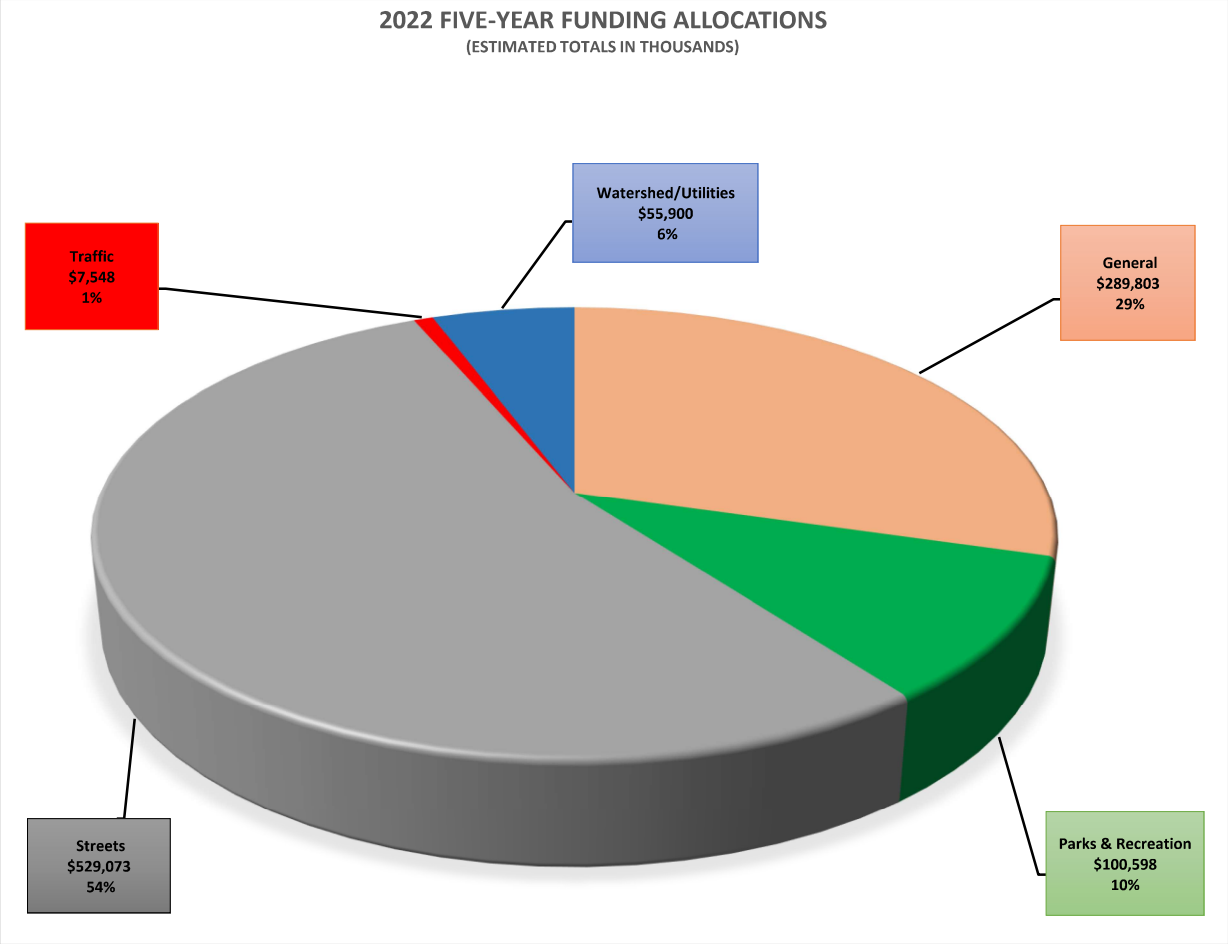
Fiscal Years	Estimated Totals in Thousands
FY 2022-23	$ 106,590
FY 2023-24	$ 65,986
FY 2024-25	$ 107,659
FY 2025-26	$ 123,680
FY 2026-27	$ 579,008
TOTAL	**$ 982,922**

The following sections include information regarding operation and construction costs of new projects as well as a detailed funding summary of the Five-Year CIP. Additionally, this document contains detailed descriptions of each project in the Five-Year CIP categorized by project type (General, Parks & Recreation, Streets, Traffic, and Watershed Resources).

At their meeting on May 12, 2022, the Planning Commission reviewed the 2022 Five-Year Capital Improvement Plan and determined that the plan conforms to the goals, objectives, and policies of the elements of the General Plan.

CITY OF PALMDALE

Department of Public Works
Program Management Division



FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
PROJECT LIST

Project#	Project Titles		Est. Total (in thousands)
GEN-001	City Beautification Program	$	375
GEN-002	Citywide Americans with Disabilities Act (ADA) Compliance	$	1,825
GEN-003	Focus Neighborhood Improvement Program	$	1,000
GEN-004	Westside Branch Library	$	18,520
GEN-005	Utility Undergrounding Program	$	3,000
GEN-006	Eastside Branch Library	$	18,520
GEN-007	Fire Stations 37, 133, 138, 139, & 140	$	40,350
GEN-008	Palmdale Playhouse Site Upgrades	$	546
GEN-009	Public Works Central Maintenance Facilities	$	12,450
GEN-010	Civic Center Emergency Operation Center	$	10,231
GEN-011	Palmdale Conference Center	$	40,000
GEN-012	IT Server Room Replacement	$	5,830
GEN-013	Navigation Access Center	$	11,360
GEN-014	Development Services A/C Units and EMS Replacement	$	500
GEN-015	Regional Recreation Center - MAV Community Ctr	$	100,076
GEN-016	Veterans Resource Ctr/Plant 42 Building Rehabilitation AKA "Bunker"	$	17,700
GEN-017	Emergency Operations Center Relocation	$	2,000
GEN-018	Development Services Building Painting Project	$	100
GEN-019	Marie Kerr Park Recreation Center Roof Project	$	200
GEN-020	Library Improvements	$	850
GEN-021	Marie Kerr Park Recreation Center Door Canopy	$	260
GEN-022	Battery Storage @ McAdam Park	$	1,275
GEN-023	Public Facility Energy Efficiency Project	$	2,085
GEN-024	Hammack Center Demo/SAVES	$	750
	Total	**$**	**289,803**

FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
PROJECT LIST

Project#	Project Titles		Est. Total (in thousands)
PRK-001	Drytown Water Park Maintenance Repairs and Upgrades	$	830
PRK-002	Arnie Quiones Park Upgrades	$	6,300
PRK-003	Best of the West Softball Complex Site Improvements	$	790
PRK-004	Palmdale Oasis Park Phase II	$	1,580
PRK-005	Tejon Park Upgrades	$	2,520
PRK-006	Trail Development Program	$	22,600
PRK-007	Avenue R/Divison Street Park	$	15,500
PRK-008	McAdam Park Improvements	$	760
PRK-009	Marie Kerr Pool Swim Deck Expansion and Pool Enclosure	$	15,080
PRK-010	Sam Yellen Park - Phase II	$	16,570
PRK-011	Domenic Massari Park Improvements	$	1,450
PRK-012	Courson Park Renovation Project	$	4,150
PRK-013	Domenic Massari Community Building	$	2,000
PRK-014	Marie Kerr Park Park and Ride	$	3,088
PRK-015	Joe Davies Airpark	$	110
PRK-016	Public Art Throughout City	$	300
PRK-017	Sports Fields Improvements/Youth League Facilities Upgrade	$	2,000
PRK-018	Park Master Plan	$	600
PRK-019	Park LED Field Lighting Inventory Project	$	2,500
PRK-020	McAdam Park Cultural Art Installation	$	300
PRK-021	Barrel Springs Tail Improvement Project	$	350
PRK-022	Oasis Park Pool Re-plastering Project	$	70
PRK-023	Marie Kerr Park Pool Re-plastering Project	$	70
PRK-024	McAdam Field Renovations	$	1,080
	Total	**$**	**100,598**

FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
PROJECT LIST

Project#	Project Titles		Est. Total (in thousands)
STR-001	Active Transportation Program	$	4,860
STR-003	Sidewalk Improvement Program	$	5,000
STR-004	Street Resurfacing Program	$	37,500
STR-005	25th Street East Widening (Avenue R to Palmdale Blvd)	$	5,310
STR-006	30th Street East Improvements (Avenue R to Palmdale Blvd)	$	3,660
STR-007	40th Street East Improvements (Avenue S to Pearblossom Highway)	$	13,780
STR-008	Avenue M (AV Freeway to 10th West - southside only)	$	5,000
STR-009	Avenue M at 10th Street West Infrastructure Improvements	$	4,300
STR-010	Avenue M Grade Separation Project	$	82,840
STR-011	Avenue M Widening (Sierra Highway to 20th St. East - south side)	$	13,230
STR-012	Avenue N Widening (10th Street West to Sierra Highway)	$	16,370
STR-013	Avenue Q (SR-14 to Division Street)	$	4,340
STR-014	Avenue Q Widening (Sierra Highway to 20th Street East)	$	32,300
STR-015	Avenue R Complete Streets (Sierra Highway to 25th Street East)	$	12,688
STR-016	Avenue S (55th Street East to 70th Street East)	$	21,010
STR-017	Avenue S Improvement (25th Street East to 30th Street East)	$	870
STR-018	Avenue T @ Pearblossom Highway Widen Westbound Approach	$	2,160
STR-019	Rancho Vista Grade Separation Project	$	70,010
STR-021	Rayburn Road (Tierra Subida to Division Street)	$	9,150
STR-022	Sierra Highway Widening (Avenue R-8 to Avenue S)	$	9,260
STR-023	Technology Drive Widening (SR-14 to 3rd Street East)	$	9,740
STR-024	State Route 138 - 5th East to 10th East Improvments	$	20,668
STR-025	State Route 138 (SR-14)/ On & Off ramp at Palmdale Blvd.	$	34,000
STR-026	State Route 14- 10th Street West Widening/Interchange Project	$	24,223
STR-027	State Route 14 - Avenue N Overcrossing	$	44,000

FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
PROJECT LIST

Project#	Project Titles		Est. Total (in thousands)
STR-028	Avenue M Improvements - Sierra Highway to 10th Street East	$	2,000
STR-029	Bike Path - 60th Street West from Avenue N to Aqueduct	$	1,000
STR-030	Tierra Subida/Avenue R-5/Rayburn Road Intersection Project	$	1,300
STR-031	Avenue Q Widening and Sierra Highway Bicycle Improvements	$	8,250
STR-032	Civic Center Complete Streets	$	3,819
STR-033	Palmdale Boulevard Sidewalk Improvements Phase II	$	10,920
STR-034	Avenue Q-12 (between 10th St. East to 12th St. East) Gap Closure	$	1,525
STR-035	Rancho Vista Widening @ 22nd Street West	$	150
STR-036	HSIP Roundabout at 40th Street East and Avenue S-8	$	2,890
STR-037	Rancho Vista Blvd at Sierra Highway Railroad Safety Crossing Improvements	$	9,000
STR-038	Ave R and Sierra Highway Railroad Safety Crossing Improvements	**$**	**1,000**
STR-039	NEC Ave R & Sierra Highway Right-Hand Turn Lane	$	750
STR-040	Tourism - Musical Road	$	200
	Total	**$**	**529,073**

FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
PROJECT LIST

Project#	Project Titles	Est. Total (in thousands)
TRF-001	Traffic Signal Modification - Avenue M at 10th Street West	515
TRF-002	Traffic Signal - Avenue M at 4th Street East	650
TRF-003	Traffic Signal Modification - Avenue R at 47th Street East	420
TRF-004	Traffic Signal - Avenue S at Greenbrier Street	650
TRF-005	Traffic Signal - Town Center @ Bolz Ranch Road	650
TRF-006	Traffic Signal - Rancho Vista Blvd (Avenue P) at Homeridge Drive	650
TRF-007	Traffic Signal - Technology Drive (Avenue P-8) at 3rd Street East	650
TRF-008	Traffic Signal Modification - Rancho Vista Blvd. at 15th Street West	830
TRF-009	Traffic Signal - Ave R and 45th Street East	1033
TRF-010	Traffic Signal - Rancho Vista & Armfield Signal and Interaction Safety Improvements	500
TRF-011	Traffic Signal - Avenue M and 20th Street East	500
TRF-012	Traffic Signal - Avenue M and 30th Street East	500
	Total $	**7,548**

FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
PROJECT LIST

Project#	Project Titles		Est. Total (in thousands)
WSR-001	Sewer Repairs	$	1,060
WSR-002	Amargosa Area Watershed Improvement Program	$	200
WSR-003	Anaverde Area Watershed Improvement Program	$	200
WSR-004	Pearland Area Watershed Improvement Program	$	200
WSR-005	Portal Ridge Area Drainage Improvement Program	$	200
WSR-006	Upper Amargosa Creek Recharge, Habitat Mitigation/Trail Enhancement	$	3,300
WSR-007	Rancho Vista Blvd Storm Drain System - 3rd St East to 15th St East	$	9,250
WSR-008	45th Street East Storm Drain - Avenue R to Palmdale Blvd.	$	3,480
WSR-009	Avenue Q Drainage Improvements-30th St East to 35th St East	$	290
WSR-010	Avenue R at 35th Street East Storm Drain	$	290
WSR-011	Avenue R at 37th Street East Storm Drain	$	1,330
WSR-012	Rancho Vista Blvd Sewer Upgrade 25th St. West to 10th St. West	$	1,740
WSR-013	30th Street West Sewer Upgrade from Ave P-8 to Joshua Ranch Road	$	850
WSR-014	Oasis Park Basin Upgrade	$	660
WSR-015	Pearland Drainage Plan Study	$	650
WSR-016	Division Street at Avenue R Regional Basin Design and Construction	$	32,200
	Total	**$**	**55,900**
	TOTAL FOR ALL PROJECTS	**$**	**982,922**

PROJECT PLANNING & DEVELOPMENT PROCESSES

Five-Year Capital Improvement Program Annual Update

In fiscal year 2019/2020 the city decided to transition from a Ten-Year Capital Improvement Plan to a Five-Year CIP Plan. City Council members, Planning Commission members and City staff were asked to provide input on revisions to the current Capital Improvement Program and any new projects that have been identified. The Five-Year CIP Plan is presented to the Planning Commission for their determination as to whether it is consistent with the general plan goals and policies of the City annually. The new 5-year CIP document is then typically presented to the City Council for approval in conjunction with the adoption of the City's annual budget in May/June of each year.

Annual Capital Improvement Budget Process

The Annual Capital Improvement Budget (Annual CIP) process usually starts in January or February with the development of the overall City budget. This process identifies all priority operational needs, as well as capital improvement needs. Once the budget is completed, it is recommended for adoption by the City Council prior to the beginning of the fiscal year, which begins in July. City management and the City Council are updated monthly on the status of CIP projects through status reporting and meetings.

Project Phases

Individual projects may take anywhere from a few weeks to a few years to complete depending on the complexity of the project and the source of project financing. Simple and small projects funded with discretionary City funds may sometimes be completed in as little as a few weeks or months. The largest and most complex projects involving a matrix of restricted funding sources with matching requirements from other outside sources may take several years to complete. Individual CIP projects may require any or all the following project phases. Each phase of a complex project is regulated by several layers of governmental agencies that may have jurisdiction over various aspects of a project. These agencies often have many legal restrictions and requirements to follow to complete a particular phase of a project. The major phases of a City project are generally summarized as follows:

1. Preliminary Concept: This phase typically includes the involvement of several City staff and may include the involvement of a design engineer, building architect, or landscape architect. The City Council is typically briefed on concepts involving significant projects prior to moving forward into the design phase.

2. Consultant Services: The expertise of specialized consultants are utilized regularly for professional services involving: special studies; right-of-way acquisition; civil engineering design, building architectural design; geotechnical engineering studies; traffic engineering design and studies; landscape architectural design; environmental review and assessment; and special district formation. City Council approval is required for services over and above the City Manager's designated authority and any ongoing agreement limitations.

3. Entitlements & Approvals: Most projects involve some type of entitlement or approval including: Planning Commission or Planning Official Site Plan Approval and conformance with the California Environmental Quality Act (CEQA) or federal equivalent, the National Environmental Protection Act (NEPA).

4. Design Review & Approvals: Design review and approvals may involve internal (Engineering and Building & Safety) approvals and/or external (outside agency) review and approvals (i.e. Palmdale Water District, City of Lancaster, Los Angeles County, Caltrans, federal agencies, etc.)

5. Utility Coordination: Many projects will involve coordination with outside utility agencies such as: Palmdale Water District, L.A. County Waterworks Districts, SBC Telephone, Southern California Gas, Southern California Edison, Adelphia, Los Angeles County Department of Public Works Sewer Maintenance Division, and the County Sanitation Districts of Los Angeles County.

6. Acquisition: Acquisitions may be made by "friendly" acquisition in which there is a willing buyer (City) and seller or by Eminent Domain, which involves a legal process and requires City Council approval.

7. Construction Contract Bid & Award: In 2010 the City of Palmdale adopted ordinance 1398 containing specific provisions to allow added flexibility in contracting for public projects. This Ordinance allows the City to consider criteria other than price (such as qualifications, schedule, experience and local preference) when awarding a contract. Other criteria in the Ordinance have not changed: 1) Public works construction projects with a value of less than $30,000 may be selected by solicitation of binding quotes from three contractors. No formal selection process is required. 2) Public works construction projects with a value of $30,000 to $125,000 must be selected by an informal bid process, which includes, but limited to, a 10-day bid period, unsealed bids, and no published notice inviting bids. 3) Public works construction projects with a value of more than $125,000 must be publicly bid after public advertisement and state prevailing wages must be paid. In many cases, meeting state and federal legal requirements, may add an additional 10% to 25% to the project cost and require the formal bidding process.

8. Construction Contract Administration: After a contract is executed between the city and a contractor, the assigned project manager and public works inspector will provide construction contract administration duties. The duration of project construction may be as little as a few days to more than a year for larger projects. The contract administration team ensures that the contractor adheres to all regulations and contract provisions required by federal, state and local law. Typically, for larger construction projects the city will use a consultant to provide construction management of the contractor and to assist project managers in keeping the project on schedule.

9. Legal: Legal services are required on most projects and may include: review of service agreements, construction cash contracts, bidding process, sub-contractor stop notices, individual claims on projects during & after construction, contractor disputes, and acquisition related issues.

10. Project Close-out: Once the project construction is complete, there are often many financial, legal and other aspects to closing out a project file including: filing legal Notices of Completion, processing all final payments, preparing all grant or financing related project reports, and final organization and preparation of the file for future auditing.

CITY OF PALMDALE
California

FUNDING

FIVE-YEAR FUNDING SUMMARY
CIP PROJECTS
2022-2027

(all figures below in thousands of dollars)

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total*
American Rescue Fund	$ -	$ 5,000	$ -	$ -	$ -	$ 5,000
CDBG Fund	$ 1,800	$ 275	$ 1,584	$ 1,333	$ 1,308	$ 6,300
Developer Contribution	$ -	$ -	$ 3,342	$ 5,180	$ 71,546	$ 80,068
Drainage Fund	$ 6,370	$ 185	$ 2,685	$ 4,765	$ 6,595	$ 20,600
EIFD Fund	$ -	$ -	$ -	$ -	$ 2,150	$ 2,150
Fire Facilities Fund	$ -	$ -	$ -	$ -	$ -	$ -
Gas Tax Fund	$ 2,825	$ 1,500	$ 2,834	$ 6,591	$ 8,587	$ 22,337
General Fund	$ 260	$ -	$ 50	$ 50	$ 8,530	$ 8,890
Grant Fund	$ 27,435	$ 24,435	$ 49,098	$ 58,929	$ 363,610	$ 523,507
Information Technology (IS) Fund	$ -	$ -	$ -	$ -	$ -	$ -
Measure A Fund	$ 3,088	$ 1,056	$ 500	$ -	$ -	$ 4,644
Measure AV Fund	$ 4,300	$ 7,040	$ 8,040	$ 1,500	$ 500	$ 21,380
Measure M Fund	$ 7,138	$ 500	$ -	$ -	$ -	$ 7,638
Measure R Fund	$ 28,499	$ 14,000	$ 11,667	$ 14,390	$ 13,667	$ 82,223
Outside Jurisdictions	$ -	$ -	$ -	$ 265	$ -	$ 265
Park Development Fund	$ 5,589	$ 385	$ 2,733	$ 2,818	$ 13,846	$ 25,371
Park Assessment Fund	$ 100	$ 340	$ 200	$ 200	$ 130	$ 970
Prop A Fund	$ 2,875	$ 175	$ 125	$ 125	$ 125	$ 3,425
Prop C Fund	$ 5,809	$ 2,000	$ 2,324	$ 1,824	$ 1,924	$ 13,881
Public Art Fund	$ 280	$ 95	$ 80	$ 80	$ 80	$ 615
Public Facilities Fund	$ -	$ -	$ -	$ -	$ 4,260	$ 4,260
PUC Rule 20A Fund	$ -	$ -	$ 1,800	$ -	$ 1,200	$ 3,000
RMRA (SB1) Fund	$ 4,050	$ 2,000	$ 2,000	$ 1,000	$ 1,000	$ 10,050
Sewer Maintenance Assessment Fund	$ 610	$ 5,000	$ 175	$ 175	$ 210	$ 6,170
Sewer Upgrade Fund	$ -	$ -	$ -	$ -	$ 2,185	$ 2,185
TBD	$ -	$ -	$ 15,100	$ 15,100	$ 44,000	$ 74,200
TDA Article 3 Fund	$ 110	$ -	$ 324	$ 324	$ 424	$ 1,182
TDA Article 8 Fund	$ 4,419	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 12,419
Traffic Impact Fund	$ 1,033	$ -	$ 998	$ 7,031	$ 31,130	$ 40,192
TOTAL	**$ 106,590**	**$ 65,986**	**$ 107,659**	**$ 123,680**	**$ 579,008**	**$ 982,922**

FUNDING SOURCES FOR CAPITAL PROJECTS

Fund	Name	Description
101	GENERAL FUND	General Fund revenues include funds from many sources and may be spent on City operating or capital expenses. General fund revenues are derived from: sales tax; utility franchise fees for electricity, natural gas, waste disposal and cable television; plan checking fees; motor vehicle in-lieu/fees; interest earnings; building permit fees; property taxes; animal license fees; property transfer tax; transient occupancy tax; business license tax; parking citations; recreation fees; facility rental charges; and donations.
155	CAPITAL IMPROVEMENT FUND	Funds were transferred from the General Fund to create a reserve for CIP projects.
157	MEASURE AV FUND	A local ¾ cent transaction and use tax was passed by Palmdale voters on November 3, 2020. The revenues and expenditures from the tax are to be regularly reviewed by a Citizen's Advisory Committee to ensure the funds collected are expended for the purposes specified in the Measure AV Ballot language. The Measure includes protecting Palmdale's long-term financial stability; maintaining essential city services; repairing streets/potholes; addressing homelessness; maintaining 911 emergency response; keeping public areas safe/clean for all; retaining local businesses; protecting local water sources; maintaining veterans, senior, mental health, community programs; by establishing a ¾-cent sales tax; requiring citizen oversight, public spending disclosures; all funds used locally in Palmdale).

FUNDING SOURCES FOR CAPITAL PROJECTS

RESTRICTED REVENUE SOURCES

Fund	Name	Description
201	GAS TAX FUND	Gas Tax revenues are received on a per capita basis each year pursuant to Sections 2105, 2106, 2107 and 2107.5 of the California Streets and Highways Code. Gas Tax revenue is restricted and must be spent on street-related construction and/or maintenance projects.
203	PROP A FUND	In 1980, Los Angeles County voters adopted Proposition A, a 1/2 cent sales tax, to finance a county-wide transit development program. A portion of Proposition A required that 25% of the tax revenue generated be earmarked for local return programs for use by Los Angeles County cities and the County of Los Angeles in developing and/or improving local public transit, paratransit, and related transportation infrastructure.
204	PROP C FUND	In 1990, Los Angeles County voters adopted Proposition C, the second of two 1/2 cent sales tax, to finance a county-wide transit development program. Proposition C funds are administered by the Metropolitan Transit Authority (MTA). Local Return funds are distributed monthly to jurisdictions on a per capita basis. Eligible expenditures include developing and/or improving local public transit, paratransit, and related transportation infrastructure, as well as transit services and/or equipment purchases.
205	AIR QUALITY IMPROVEMENT FUND	Antelope Valley Air Quality Management District offers several grant programs for residents, businesses, public and private agencies, non-profit and community groups. The focus of the program is to eliminate and/or replace the operation of older polluting conventional fuel vehicles and equipment earlier than its normal lifecycle or regulatory requirements.
206	LOCAL TRANSPORTATION DEVELOPMENT FUND (TDA) ARTICLE 3	Transportation Development Act, Article 3 funds are available to be used by cities within Los Angeles County for the planning and construction of bicycle and pedestrian facilities. Article3 funds are administered by the Metropolitan Transit Authority (MTA). Funds are allocated annually on a per capita basis to both cities and the County of Los Angeles.

FUNDING SOURCES FOR CAPITAL PROJECTS

Fund	Name	Description
207	LOCAL TRANSPORTATION DEVELOPMENT FUND (TDA) ARTICLE 8	Transportation Development Act (TDA) Article 8 was adopted by Metropolitan Transportation Authority in 2014. Article 8 provides that cities can use eligible funds of the County's Local Transportation Fund for local streets and road expenditures when the City's unmet transportation needs have been satisfied.
208	MEASURE R LOCAL RETURN	The City is allocated 15% of revenues from the half-cent sales tax increase passed in 2008 for comprehensive county transportation improvements. The Measure R revenues are restricted for projects such as pothole repairs, bikeways, major street resurfacing, left-turn signals, pedestrian improvements, streetscapes, traffic signal synchronization, and local transit services.
209	MEASURE M LOCAL RETURN	In 2016, Los Angeles County voters approved Measure M, a ½ cent sales tax, to fund improvement of traffic flow/safety, repair, potholes/sidewalks, repave local streets, earthquake retrofit bridges; synchronize signals; keep transit fares affordable, expand rail/subway/bus systems, improve job/school/airport connections; and create jobs. These funds will go towards street and transit projects throughout the City.
210	ROAD MAINTENANCE AND REHABILITATION FUND (SB1)	The City receives revenue from the Road Repair and Accountability Act of 2017 (SB1). Eligible projects may include maintenance and rehabilitation, safety projects, railroad grade separations, traffic control devices and complete street components.
211	MEASURE A FUND	Measure A programs are funded by the property tax approved by LA County voters in 2016 to finance safe, clean neighborhood parks, open spaces, beaches, river protection, and water conservation. It authorizes the county to impose a parcel open space tax on improved property at a rate 1.5 cents per square foot of building area.
220	PARK DEVELOPMENT IMPACT FEES	Park impact fees are collected from developers to mitigate the impacts on the City's park system and to assist with the development and rehabilitation of City parks.

FUNDING SOURCES FOR CAPITAL PROJECTS

Fund	Name	Description
221	TRAFFIC IMPACT FEES	Traffic impact fees are collected from developers to mitigate the impacts on the City's traffic control and safety systems. These fees are used for signals and street improvements identified in the Traffic Impact Fee Assessment and Master Traffic Level Maintenance Plan
222-230	DRAINAGE IMPACT FEES	Drainage impact fees are collected from developers to mitigate the impact on drainage systems within six major contributory drainage areas in the City. The six separate funds for collecting drainage fees are Amargosa, Anaverde, Big Rock, Portal Ridge, Pearland, and Littlerock. The monies collected in each area can only be used for drainage improvements in that area as set forth in the Master Plan for Drainage.
227	FIRE FACILITIES IMPACT FEES	Fire facilities impact fees are collected from developers to mitigate the impacts of new development on fire protection facilities.
228	SEWER UPGRADE FUND	Sewer upgrade fees are collected from developers to mitigate the impact of new development on the existing sewer facilities and are used for expanding sewer system capacity in existing sewer mains and for constructing new sewer lines to service new development
229	PUBLIC FACILITIES FUND	Impact fees are collected from developers to mitigate the impacts on public facilities such as City Hall and libraries, and to assist with the development and rehabilitation of public facilities.
240	FEDERAL GRANTS	Funds from the federal government, typically the U.S. Department of Transportation through the Federal Highway Administration and Federal Transit Administration. Usually requires local funding match.
241	CALTRANS	Contributions from the State of California, Department of Transportation for cooperative transportation projects partly within the jurisdiction of the State of California.
242	DEVELOPER CONTRIBUTIONS	Misc. Grant and Developer Contribution Fund accounts for revenues and expenditures received from developers and local agencies for improvements.

FUNDING SOURCES FOR CAPITAL PROJECTS

Fund	Name	Description
251	LANDSCAPE MAINTENANCE FUND	Landscape Maintenance Fund accounts for revenue and expenditures attributed to LMD 97-1.
252,255, 256,257	STREET LIGHTING ASSESSMENT DISTRICT FUND	Revenues consist of assessments levied against properties and are collected by Los Angeles County through the tax rolls. The properties assessed received benefits from street lighting within their neighborhoods. The City is currently in the process of taking over the operation and maintenance of the SCE Lights. Street Lighting Assessment District Funds are used to account for the revenue.
280	COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)	The City of Palmdale is considered an entitlement city because of its population exceeds 50,000. CDBG revenues are received directly from the U.S. Department of Housing and Urban Development (HUD). Funds are used for community activities and capital projects meeting the target area criteria.
--	COUNTY/OTHER JURISDICTIONS	Contributions from the County of Los Angeles (typically the Department of Public Works) for cooperative projects partly within the jurisdiction of the County of Los Angeles.
--	PUC RULE 20A	These funds are collected from ratepayers by Southern California Edison and are applied to the City's Utility Undergrounding Program at the discretion of the City.
--	LANCASTER/ OTHER JURISDICTIONS	Contributions by the City of Lancaster for their fair share of cooperative projects with split jurisdiction.
--	LAWA CONTRI BUTIONS (LOS ANGELES WORLD AIRPORTS)	Contributions by LAWA for their fair share of projects that benefit their facilities within Palmdale.

FUNDING SOURCES FOR CAPITAL PROJECTS

Fund	Name	Description
--	RAILROAD CONTRIBUTIONS	Contributions by any one of the railroad entities (Southern California Regional Rail/Metrolink or Union Pacific Railroad) for their fair share of projects that benefit one of their facilities, as determined by the California Public Utilities Commission.
--	SCHOOL CONTRI-BUTIONS	Contributions by any one of the school districts (Antelope Valley Union High School District, Kepp Union School District, Palmdale School District Westside School District) for their fair share of projec that mitigate the effects of a school development or a benefit to one of their facilities.
--	SPECIAL DISTRICT	Funds from an approved special district such as an assessment district, a Mello-Roos district or a community facilities district for a specific voter-approved purpose.
--	LOS ANGELES COUNTY SAN DISTRICTS (LACSD)	Contributions by Sanitation Districts for their fair share of projects that benefit their facilities within Palmdale.
	WATER AGENCIES	Contributions by the various water agencies for their fair share of projects that benefit their facilities within Palmdale.

18

CITY OF PALMDALE

California

GENERAL CITY PROJECTS

ACCREDITED AGENCY

A•P•W•A

FIVE-YEAR FUNDING SUMMARY

GENERAL CITY PROJECTS

2022-2027

(all figures below in thousands of dollars)

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total*
CDBG Fund	$ 275	$ 275	$ 750	$ 500	$ 475	$ 2,275
Developer Fees	$ -	$ -	$ -	$ -	$ -	$ -
Fire Facilities Fees	$ -	$ -	$ -	$ -	$ -	$ -
Gas Tax Fund	$ -	$ -	$ -	$ -	$ -	$ -
General Fund	$ 260	$ -	$ -	$ -	$ 8,520	$ 8,780
Grant Fund	$ 11,410	$ 16,210	$ 44,876	$ 41,947	$ 156,120	$ 270,563
Information Technology (IS) Fund	$ -	$ -	$ -	$ -	$ -	$ -
Measure AV	$ -	$ -	$ -	$ -	$ -	$ -
Prop A Funds	$ 375	$ 175	$ 125	$ 125	$ 125	$ 925
Public Facilities Fund	$ -	$ -	$ -	$ -	$ 4,260	$ 4,260
PUC Rule 20A Fund	$ -	$ -	$ 1,800	$ -	$ 1,200	$ 3,000
Sewer Maintenance Assessment Fund	$ -	$ -	$ -	$ -	$ -	$ -
TBD	$ -	$ -	$ -	$ -	$ -	$ -
TOTALS	**$ 12,320**	**$ 16,660**	**$ 47,551**	**$ 42,572**	**$ 170,700**	**$ 289,803**

* The amount shown is a preliminary estimate of the cost of the project and is not intended to be an estimate of the anticipated amount of the revenue. Revenue estimates are calculated annually as part of the annual budget process and are considered before projects are approved as part of the City's annual budget.

FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
GENERAL CITY PROJECT LIST

Project#	Project Titles		Est. Total (in thousands)
GEN-001	City Beautification Program	$	375
GEN-002	Citywide Americans with Disabilities Act (ADA) Compliance	$	1,825
GEN-003	Focus Neighborhood Improvement Program	$	1,000
GEN-004	Westside Branch Library	$	18,520
GEN-005	Utility Undergrounding Program	$	3,000
GEN-006	Eastside Branch Library	$	18,520
GEN-007	Fire Stations 37, 133, 138, 139, & 140	$	40,350
GEN-008	Palmdale Playhouse Site Upgrades	$	546
GEN-009	Public Works Central Maintenance Facilities	$	12,450
GEN-010	Civic Center Emergency Operation Center	$	10,231
GEN-011	Palmdale Conference Center	$	40,000
GEN-012	IT Server Room Replacement	$	5,830
GEN-013	Navigation Access Center	$	11,360
GEN-014	Development Services A/C Units and EMS Replacement	$	500
GEN-015	Regional Recreation Center - MAV Community Ctr	$	100,076
GEN-016	Veterans Resource Ctr/Plant 42 Building Rehabilitation AKA "Bunker"	$	17,700
GEN-017	Emergency Operations Center Relocation	$	2,000
GEN-018	Development Services Building Painting Project	$	100
GEN-019	Marie Kerr Park Recreation Center Roof Project	$	200
GEN-020	Library Improvements	$	850
GEN-021	Marie Kerr Park Recreation Center Door Canopy	$	260
GEN-022	Battery Storage @ McAdam Park	$	1,275
GEN-023	Public Facility Energy Efficiency Project	$	2,085
GEN-024	Hammack Center Demo/SAVES	$	750
	Total	**$**	**289,803**

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

City Beautification Program

Description Various projects intended to enhance the quality of life throughout the City including: street landscaping improvements, wayfinding signage, etc.

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Prop A Fund	$75	$75	$75	$75	$75	$375
Total	$75	$75	$75	$75	$75	$375

Citywide Americans with Disabilities Act (ADA) Compliance

Description Construction of improvements in order to comply with the Americans with Disabilities Act (ADA). Projects may include: upgrading existing handicap ramps, installation of truncated domes, ADA upgrade of city facilities.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
CDBG Fund	$275	$275	$250	$250	$225	$1,275
Prop A	$300	$100	$50	$50	$50	$550
Total	$575	$375	$300	$300	$275	$1,825

Focus Neighborhood Improvement Program

Description

Provides funds for the improvements to the City's Adopted Focus Neighborhood. Projects would include: ADA ramp, sidewalk repair and widening, signage, and landscaping.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
CDBG Fund			$500	$250	$250	$1,000
Total			$500	$250	$250	$1,000

Utility Undergrounding Program

Description

Placement of electrical and telphone lines underground along major highways. The next phase is Palmdale Blvd. from 20th Street East to 30th Street East. Funded by Public Utility Commissioner's Rule 20A undergrounding fees. Future phases are at the discretion of the City Council and subject to Rule 20 funds availability. City's Rule 20A funds balance, held by Edison, is @ $ 2 million. Typical cost is $3.5 million/mile.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
PUC Rule 20A Fund			$1,800		$1,200	$3,000
Total			$1,800		$1,200	$3,000

Eastside Branch Library

Description Construction of 16,400 sq.ft. eastside branch library located in either existing empty building space or on City owned property.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
General Fund					$4,260	$4,260
Grant Fund					$10,000	$10,000
Public Facilities Fund					$4,260	$4,260
Total					$18,520	$18,520

Fire Stations 37, 133, 138, 139, & 140

Description Property acquisition and offsite infrastructure for future fire stations located at: 1) Southeast Palmdale Fire Station 139 (47th Street East, north of Pearblossom Highway; 2) City Ranch Fire Station 133 (east of 40th St. West, north of Avenue S; 3) Northeast Palmdale Fire Station 138 (Avenue P @ 40th Street East); 4) Ritter Ranch Fire Station 140 (Ritter Ranch area); 5) Sierra Highway Fire Station 37 (Sierra Highway - Downtown Area). Onsite improvements will be constructed by Los Angeles County.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Developer Contribution					$24,210	$24,210
Fire Facilities Fee					$8,070	$8,070
Gas Tax Fund					$8,070	$8,070
Total					$40,350	$40,350

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Palmdale Playhouse Site Upgrades

Description Future upgrades to the existing classroom east of the playhouse that would include: paint, flooring, windows and upgrades to the restrooms.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Public Facilities Fund				$273	$273	$546
Total				$273	$273	$546

Public Works Central Maintenance Facilities

Description Phasing of improvements to the site: Proposed buildings for the site: Phase II - Fleet Building (12,000 sf); Phase III - Street Sweeper & Street Maintenance and West side mini operations; Phase IV - Park Maintenance & storage & eastside mini operation; Phase V -Traffic Signal Building.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Sewer Maintenance Assessment Fund	$2,000	$2,000	$2,817	$2,816	$2,817	$12,450
Total	$2,000	$2,000	$2,817	$2,816	$2,817	$12,450

Westside Branch Library

Description Acquisition, design and construction of a 12,000 sq.ft. Westside branch facility to serve the library and information needs of the Westside.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
General Fund					$4,260	$4,260
Grant Fund					$10,000	$10,000
Public Facilities Fund					$4,260	$4,260
Total					$18,520	$18,520

Civic Center Emergency Operation Center

Description Downtown combined emergency operations center and recreation center. Possible funding from FEMA Hazard Mitigation Grants.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Grant Fund					$5,116	$5,116
Public Facilities Fund					$5,115	$5,115
Total					$10,231	$10,231

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Palmdale Conference Center

Description 70,000 sf Conference Center, includes ball room, board room, meeting rooms, kitchens, ticketing booth and auditorum.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
TBD					$40,000	$40,000
Total					$40,000	$40,000

IT Server Room Replacement

Description Replacement of the City's existing ITS server room. To meet the City's needs and properly plan for the future, a stand along properly secured server room needs to be constructed at undetermined location. It will be approximately 6,000 to 10,000 square feet and would include features such as redundant cooling systems, anti-static raised floors, dedicated back up power supply, dust control and a small office and restroom.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Information Technology Fund					$5,830	$5,830
Total					$5,830	$5,830

Navigation Access Center

Description Relocation of the SAVE's facility along with space for housing programs. City is doing a feasibility report for property at 9th East and Avenue Q-6.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
CDBG Fund		$2,022				$2,022
Grant Funds	$250	$9,088				$9,338
Total	$250	$11,110				$11,360

Development Services A/C Units and EMS Replacement

Description Air conditioners in the Development Services Building are close to their life expectancy. The EMS (Energy Management System) Novar has been obsolete and this is the system that control the A/C units and the lighting. This system would need hardware and software upgrades.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Grant Fund			$500			$500
Total			$500			$500

Regional Recreation Center - MAV Community Ctr

Description

Provide a +100,000 square foot regional recreation complex to be located in central Palmdale. Coomplex could provide the followingo: Sports and physical activities serving a variety of ages, multi-purpose rooms; diverse recreational amenities such as a rock wall, boxing ring, pump bicycle track, handball courts, racquetball courts, and pickleball courts; Unique elements such as a playground geared towards those with cognitive or physical limitations, an indoor warm water therapy pool, an indoor cool water exercise pool. Outdoor amenities such as tiered grass seating for small bands and neighborhood events, or a drive-in movie set-up; Expansive offering of indoor exercise equipment, complete with full-service locker rooms and space to hold common group fitness classes.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Measure AV	$1,000	$2,000	$32,359	$32,358	$32,359	$100,076
Total	$1,000	$2,000	$32,359	$32,358	$32,359	$100,076

Veterans Resource Ctr/Plant 42 Building Rehabilitation AKA "Bunker"

Description

To provide a space to house various veterans groups and their activities. City is currently looking at several alternative locations that would be able to be remodeled. Pricing is based upon renovation of an existing 45,000 square foot facility located at Plant 42. City would look into a private partnership funding agreement with the Air Force.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Measure AV	$1,000	$1,000	$6,100	$3,250		$11,350
Grant Funds			$3,100	$3,250		$6,350
Total	$1,000	$1,000	$9,200	$6,500		$17,700

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Emergency Operations Center Relocation

Description Renovation of the City's Emergency Operations Center (EOC) facility and ancillary departments affected by the EOC

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Grant Fund	$2,000					$2,000
Total	$2,000					$2,000

Development Services Building Painting Project

Description Repaint rafter tails on second story of Development Services

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Grant Fund	$100					$100
Total	$100					$100

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Marie Kerr Park Recreation Center Roof Project

Description Re-roofing of lower portion of Marie Kerr Park recreation center roofing.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
General Fund	$200					$200
Total	$200					$200

Library Improvements

Description Replace carpeting, AC upgrades,elevator repairs, and other general improvements.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Grant Fund	$750	$100				$850
Total	$750	$100				$850

Marie Kerr Park Recreation Center Door Canopy

Description Design and installation of a patio cover on the south facing glass doors at the day care center of the Marie Kerr Recreation Center and also re slope the existing concrete to prevent water buildup in to the building.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
General Fund	$260					$260
Total	$260					$260

Battery Storage @ McAdam Park

Description Installation of an electrical battery storage component and installation of a solar array at McAdam Park.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Grant Fund	$1,275					$1,275
Total	$1,275					$1,275

Public Facility Energy Efficiency Project

Description Energy efficiency upgrade projects at City facilities utilizing SCE and SoCal Gas funding opportunities. Project includes Administration Building; Development Services; Maintenance and Drytown (EMS controls; lighting; HVAC; & water heater)

All figures below in thousands of dollars

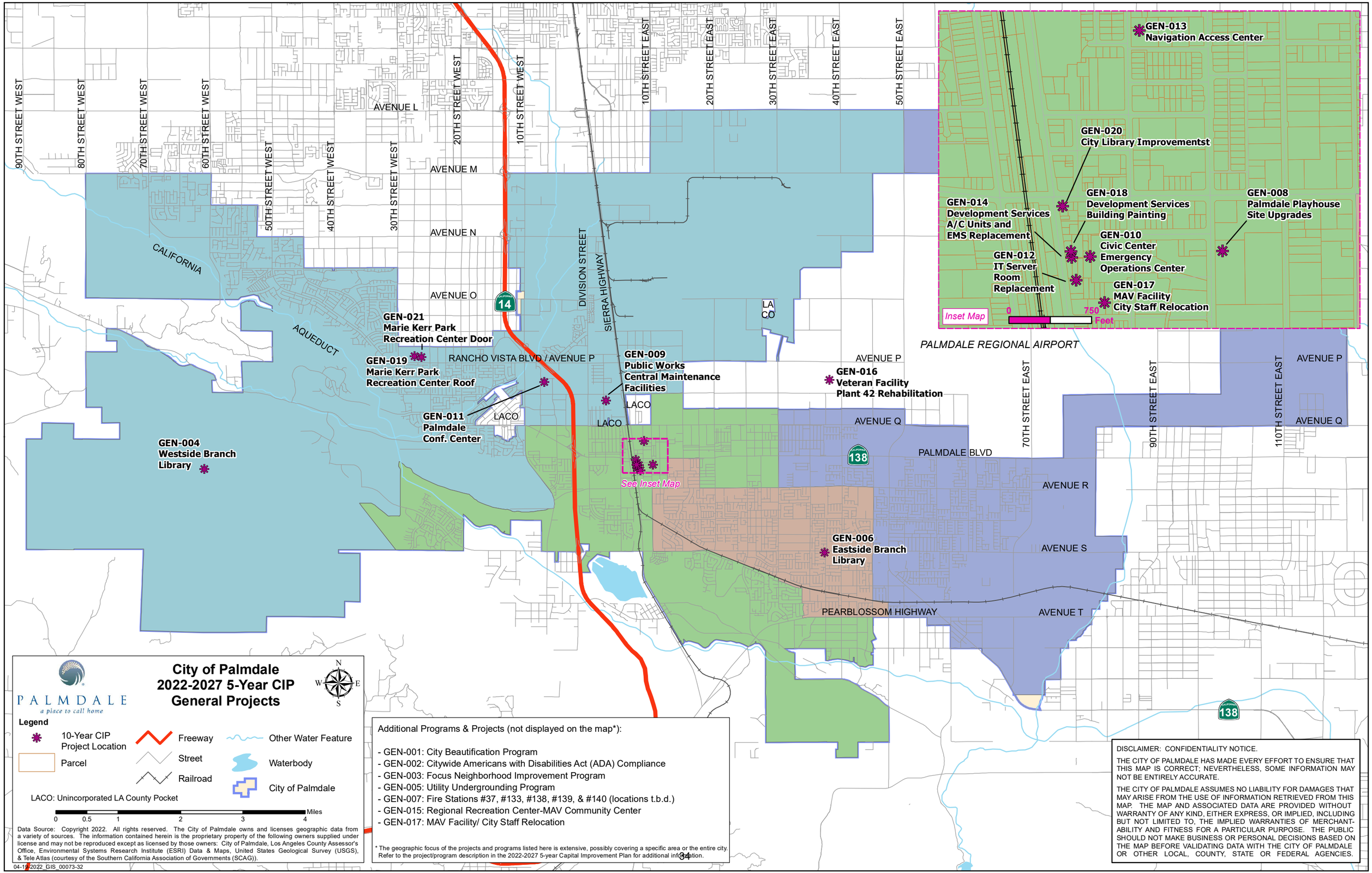
Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Grant Fund	$2,085					$2,085
Total	$2,085					$2,085

Hammack Center Demo/SAVES

Description Demolition of the Hammack Center building for possible future SAVES location.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Grant Fund	$750					$750
Total	$750					$750


City of Palmdale
2022-2027 5-Year CIP
General Projects
PALMDALE
a place to call home
N
W
E
S
Legend
10-Year CIP Project Location
Parcel
Freeway
Street
Railroad
Other Water Feature
Waterbody
City of Palmdale
LACO: Unincorporated LA County Pocket
0 0.5 1 2 3 4 Miles
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04-19-2022_GIS_00073-32
Additional Programs & Projects (not displayed on the map*):
- GEN-001: City Beautification Program
- GEN-002: Citywide Americans with Disabilities Act (ADA) Compliance
- GEN-003: Focus Neighborhood Improvement Program
- GEN-005: Utility Undergrounding Program
- GEN-007: Fire Stations #37, #133, #138, #139, & #140 (locations t.b.d.)
- GEN-015: Regional Recreation Center-MAV Community Center
- GEN-017: MAV Facility/ City Staff Relocation
* The geographic focus of the projects and programs listed here is extensive, possibly covering a specific area or the entire city. Refer to the project/program description in the 2022-2027 5-year Capital Improvement Plan for additional information.
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GEN-004 Westside Branch Library
GEN-021 Marie Kerr Park Recreation Center Door
GEN-019 Marie Kerr Park Recreation Center Roof
GEN-011 Palmdale Conf. Center
GEN-009 Public Works Central Maintenance Facilities
GEN-016 Veteran Facility Plant 42 Rehabilitation
GEN-006 Eastside Branch Library
See Inset Map
Inset Map
0 750 Feet
GEN-013 Navigation Access Center
GEN-020 City Library Improvementst
GEN-014 Development Services A/C Units and EMS Replacement
GEN-018 Development Services Building Painting
GEN-008 Palmdale Playhouse Site Upgrades
GEN-010 Civic Center Emergency Operations Center
GEN-012 IT Server Room Replacement
GEN-017 MAV Facility City Staff Relocation
90TH STREET WEST
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DIVISION STREET
SIERRA HIGHWAY
RANCHO VISTA BLVD / AVENUE P
PALMDALE BLVD
PEARBLOSSOM HIGHWAY
PALMDALE REGIONAL AIRPORT
LACO
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14
138

CITY OF PALMDALE

PARKS AND RECREATION PROJECTS

ACCREDITED AGENCY

FIVE YEAR FUNDING SUMMARY

PARKS AND RECREATION PROJECTS

2022-2027

(all figures below in thousands of dollars)

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total*
American Rescue Fund	$ 500	$ 5,000	$ -	$ -	$ -	$ 5,500
General Fund	$ -	$ -	$ 50	$ 50	$ 10	$ 110
Grant Fund	$ 2,425	$ 2,225	$ 3,250	$ 3,250	$ 19,638	$ 30,788
Measure A Fund	$ 1,588	$ 1,056	$ 500	$ -	$ -	$ 3,144
Measure AV Fund	$ 4,300	$ 7,040	$ 8,040	$ 1,500	$ 500	$ 21,380
Park Development Fund	$ 5,589	$ 385	$ 2,733	$ 2,818	$ 13,846	$ 25,371
Park Assessment Fund	$ 100	$ 340	$ 200	$ 200	$ 130	$ 970
Prop A Fund	$ 2,500	$ -	$ -	$ -	$ -	$ 2,500
TDA Article 3 Fund	$ 110	$ -	$ -	$ -	$ -	$ 110
Sewer Maint. Assessment Fund	$ 110	$ 5,000	$ -	$ -	$ -	$ 5,110
Drainage Fund	$ -	$ -	$ 2,500	$ 2,500	$ -	$ 5,000
Public Art Fund	$ 280	$ 95	$ 80	$ 80	$ 80	$ 615
TOTALS	**$ 17,502**	**$ 21,141**	**$ 17,353**	**$ 10,398**	**$ 34,204**	**$ 100,598**

* The amount shown is a preliminary estimate of the cost of the project and is not intended to be an estimate of the anticipated amount of the revenue. Revenue estimates are calculated annually as part of the annual budget process and are considered before projects are approved as part of the City's annual budget.

FIVE YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
PARKS AND RECREATION PROJECT LIST

Project #	Project Titles		Est. Total (in thousands)
PRK-001	Drytown Water Park Maintenance Repairs and Upgrades	$	830
PRK-002	Arnie Quiones Park Upgrades	$	6,300
PRK-003	Best of the West Softball Complex Site Improvements	$	790
PRK-004	Palmdale Oasis Park Phase II	$	1,580
PRK-005	Tejon Park Upgrades	$	2,520
PRK-006	Trail Development Program	$	22,600
PRK-007	Avenue R/Divison Street Park	$	15,500
PRK-008	McAdam Park Improvements	$	760
PRK-009	Marie Kerr Pool Swim Deck Expansion and Pool Enclosure	$	15,080
PRK-010	Sam Yellen Park - Phase II	$	16,570
PRK-011	Domenic Massari Park Improvements	$	1,450
PRK-012	Courson Park Renovation Project	$	4,150
PRK-013	Domenic Massari Community Building	$	2,000
PRK-014	Marie Kerr Park Park and Ride	$	3,088
PRK-015	Joe Davies Airpark	$	110
PRK-016	Public Art Throughout City	$	300
PRK-017	Sports Fields Improvements/Youth League Facilities Upgrade	$	2,000
PRK-018	Park Master Plan	$	600
PRK-019	Park LED Field Lighting Inventory Project	$	2,500
PRK-020	McAdam Park Cultural Art Installation	$	300
PRK-021	Barrel Springs Tail Improvement Project	$	350
PRK-022	Oasis Park Pool Re-plastering Project	$	70
PRK-023	Marie Kerr Park Pool Re-plastering Project	$	70
PRK-024	McAdam Field Renovations	$	1,080
		Total	**$100,598**

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Drytown Water Park Maintenance Repairs and Upgrades

Description Projects include: pathway lighting repairs, concrete repairs, kitchen upgrades, mat racer refurbishment, etc

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Park Assessment Fund	$100	$200	$200	$200	$130	$830
Total	$100	$200	$200	$200	$130	$830

Arnie Quiones Park Upgrades

Description Development of a total 9 acre neighborhood park with restroom facility and playground located along 50th Street West, north of Avenue N-8. 3 acre basin is already existing.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Grant Fund					$6,300	$6,300
Total					$6,300	$6,300

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Best of the West Softball Complex Site Improvements

Description Additional improvements to include the following: Installation of outfield fencing for softball field #1; landscape improvements, batting cages, two score boards for championship fields, separate soccer field lighting, and concession building .

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
American Rescue Fund	$500					$500
Park Development Fund			$145	$145		$290
Total	$500		$145	$145		$790

Palmdale Oasis Park Phase II

Description Additional improvements to the existing park site to include the following: Tot lot playground and art, restroom for the playfields, playfield lighting and additional parking improvements.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Park Development Fund					$1,580	$1,580
Total					$1,580	$1,580

Tejon Park Upgrades

Description Development of existing park facility to include a restroom facility, parking, lighting and arena improvements at located along Barrel Springs Road and Sierra Highway.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Park Development Fund					$482	$482
Grant Fund					$2,038	$2,038
Total					$2,520	$2,520

Trail Development Program

Description Development of bikeways, bike lanes, bike routes and multi-use trails in conformance with the City's Active Transportation Plan. The City currently has developed 25 miles (or 21%) of the 117 miles of trails within the City's Plan. The goal of the Trail Development Program is to provide trails for alternative modes of travel such as hiking, biking, or horse riding which will provide connections to key destination points throughout the City such as schools, parks and business districts.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Park Development Fund					$11,300	$11,300
Grant Fund					$11,300	$11,300
Total					$22,600	$22,600

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Avenue R/Divison Street Park

Description Development of 70 acre neighborhood park with restroom facility located at the northeast corner of Avenue R & Division Street.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Drainage Funds			$2,500	$2,500		$5,000
Park Development Fund			$2,000	$2,000		$4,000
Grant Fund			$3,250	$3,250		$6,500
Total			$7,750	$7,750		$15,500

McAdam Park Improvements

Description Continued improvement to McAdam Park. Including: renovation of existing schoolhouse; replacement of play structure to current ADA standards.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Park Development Fund				$45	$0	$45
Total				$45	$0	$45

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Marie Kerr Pool Swim Deck Expansion and Pool Enclosure

Description Expand existing pool deck to the west, replacement of existing pool deck and provide an enclosure over the pool.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Measure AV Fund	$2,000	$6,040	$6,040			$14,080
Measure A Fund	$1,000					$1,000
Total	$3,000	$6,040				$15,080

Sam Yellen Park - Phase II

Description Development of Phase II of Yellen Park - remaining 12 acres on the Yellen Park Site located at 52nd Street East and Avenue S. Current proposed improvements include passive soccer area, walking trails, fitness areas, picnic benches, shade structures, children educational area, etc.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Park Development Fund	$5,014					$5,014
Sewer Maint. Assessment Fund		$5,000				$5,000
American Rescue Fund		$5,000				$5,000
Measure A Fund		$1,056	$500			$1,556
Total	$5,014	$11,056	$500			$16,570

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Domenic Massari Park Improvements

Description Improvements at Domenic Massari Park to include: Re-roofing of existing building and shade structures at Domenic Massari Park; Landscape existing parking lot planters and possible permeable paving to help with heat island effect; Additional mow curb to delineate turf at southeast corner of the park.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Park Development Fund			$483	$483	$484	$1,450
Total			$483	$483	$484	$1,450

Courson Park Renovation Project

Description Replace irrigation system, replace playground, add fitness equipment, walking path, and public art.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Grant Fund	$2,075	$2,075				$4,150
Total	$2,075	$2,075				$4,150

Domenic Massari Community Building

Description Providing a larger and more efficient community building to provide a greater variety of activities to be held for disadvanted youth at this park site.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Measure AV Fund			$1,000			$1,000
Total			$1,000			$1,000

Marie Kerr Park Park and Ride

Description Providing for a park and ride located on 20 acres east of the Marie Kerr Park Amphitheater. Event power accomodations, permanent movie screen, east-facing BOTW entry with fence for admission collection.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Prop A Fund	$2,500					$2,500
Measure A Fund	$588					$588
Total	$3,088					$3,088

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Joe Davies Airpark

Description Providing upgrades to the existing airpark. Upgrades to include providing stairway access to the 747 airplane for events, workshops, and general viewing.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
General Fund			$50	$50	$10	$110
Total			$50	$50	$10	$110

Public Art Throughout City

Description Providing for public art through out the City. First locations are looking to be at: Auto Mall roundabout; SR 14/RVB offramp exit and Palmdale Water District Mural.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Public Art Fund	$280	$80	$80	$80	$80	$600
Total	$280	$80	$80	$80	$80	$600

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Sports Fields Improvements/Youth League Facilities Upgrade

Description To provide upgrades to the existing youth league facilities. Improvements include building upgrades to comply with ADA, landscaping clean up, aesthetic upgrades, sportsfields improvements. Multiphase project.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Measure AV Fund	$1,000	$500	$500	$0	$0	$2,000
Total	$1,000	$500	$500	$0	$0	$2,000

Park Master Plan

Description To develop a Master for all existing City Parks and any proposed park sites in the City of Palmdale.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Measure AV Fund	$300					$300
Total	$300					$300

Park LED Field Lighting Inventory Project

Description Conversion of all the fielding lighting and develop a plan to change out the lighting to LED on all city property.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Measure AV Fund	$500	$500	$500	$500	$500	$2,500
Total	$500	$500	$500	$500	$500	$2,500

McAdam Park Cultural Art Installation

Description Garden area (about 54,000 sq. ft) between pool and tennis/pickleball courts, remove/install plants, install benches/seating areas, install cultural art pieces.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Public Art Fund		$15				$15
Park Development Fund		$135				$135
Grant Fund		$150				$150
Total		$300				$300

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Barrel Springs Tail Improvement Project

Description Repair broken and/or missing fence rails and posts, monument sign, and restoration additional signage along trail.install swing gates near eastern parking lot, stabilization improvements along trail and parking lots, additional trash receptacles, and pet waste stations.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Grant Fund	$350					$350
Total	$350					$350

Oasis Park Pool Re-plastering Project

Description Re-plastering pool

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Park Assessment Fund		$70				$70
Total		$70				$70

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Marie Kerr Park Pool Re-plastering Project

Description Re-plastering pool

All figures below in thousands of dollars

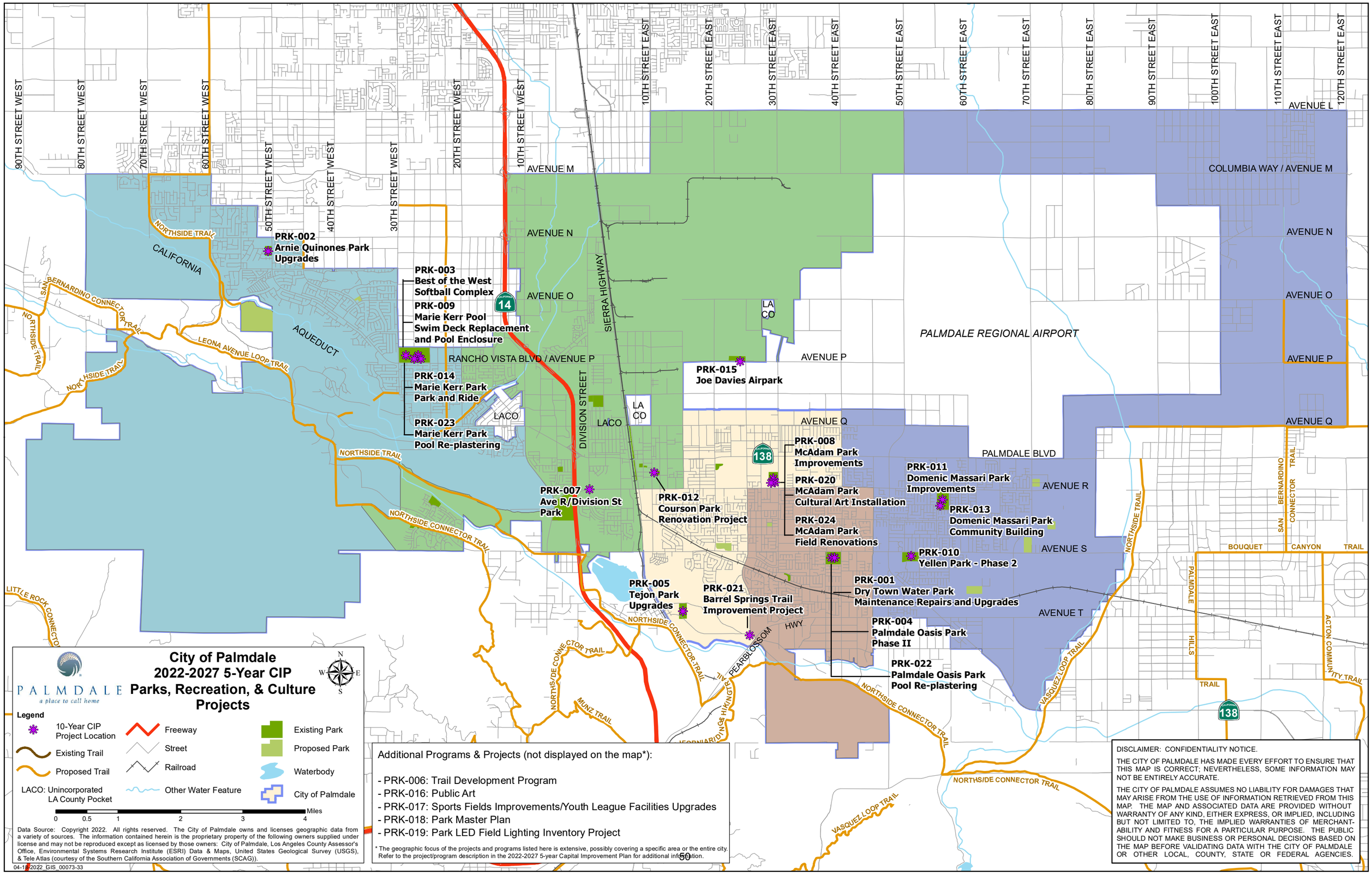
Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Park Assessment Fund		$70				$70
Total		$70				$70

McAdam Field Renovations

Description To provide upgrades to the existing youth league facilities. Improvements include building upgrades to comply with ADA, landscaping clean up, aesthetic upgrades. Multiphase project.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Measure AV Fund	$500					$500
TDA Article 3 Fund	$110					$110
Park Development Fund	$360					$360
Sewer Maint. Assessment Fund	$110					$110
Total	$1,080					$1,080



Additional Programs & Projects (not displayed on the map*):

- PRK-006: Trail Development Program
- PRK-016: Public Art
- PRK-017: Sports Fields Improvements/Youth League Facilities Upgrades
- PRK-018: Park Master Plan
- PRK-019: Park LED Field Lighting Inventory Project

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CITY OF PALMDALE

STREETS PROJECTS

ACCREDITED AGENCY
A•P•W•A

FIVE YEAR FUNDING SUMMARY

STREET IMPROVEMENT PROJECTS

2022-2027

(all figures below in thousands of dollars)

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total*
CDBG Fund	$ 1,525	$ -	$ 834	$ 833	$ 833	$ 4,025
Developer Contribution	$ -	$ -	$ 3,342	$ 5,180	$ 63,541	$ 72,063
Drainage Fund	$ -	$ -	$ -	$ -	$ 2,150	$ 2,150
EIFD Fund	$ -	$ -	$ -	$ -	$ 2,150	$ 2,150
Gas Tax Fund	$ 2,825	$ 1,500	$ 2,834	$ 6,171	$ 8,587	$ 21,917
Grant Fund	$ 13,600	$ 6,000	$ 972	$ 13,732	$ 187,852	$ 222,156
Measure M Fund	$ 6,638	$ -	$ -	$ -	$ -	$ 6,638
Measure R Fund	$ 28,499	$ 14,000	$ 11,667	$ 14,390	$ 13,667	$ 82,223
Prop C Fund	$ 5,809	$ 2,000	$ 2,324	$ 1,824	$ 1,924	$ 13,881
RMRA (SB1) Fund	$ 3,550	$ 2,000	$ 2,000	$ 1,000	$ 1,000	$ 9,550
TBD	$ -	$ -	$ -	$ -	$ 44,000	$ 44,000
TDA Article 3 Fund	$ -	$ -	$ 324	$ 324	$ 424	$ 1,072
TDA Article 8 Fund	$ 4,419	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 12,419
Traffic Impact Fund	$ -	$ -	$ 998	$ 2,701	$ 31,130	$ 34,829
TOTALS	**$ 66,865**	**$ 27,500**	**$ 27,295**	**$ 48,155**	**$ 359,259**	**$ 529,073**

***** The amount shown is a preliminary estimate of the cost of the project and is not intended to be an estimate of the anticipated amount of the revenue. Revenue estimates are calculated annually as part of the annual budget process and are considered before projects are approved as part of the City's annual budget.

FIVE YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
STREET PROJECT LIST

Project#	Project Titles		Est. Total (in thousands)
STR-001	Active Transportation Program	$	4,860
STR-003	Sidewalk Improvement Program	$	5,000
STR-004	Street Resurfacing Program	$	37,500
STR-005	25th Street East Widening (Avenue R to Palmdale Blvd)	$	5,310
STR-006	30th Street East Improvements (Avenue R to Palmdale Blvd)	$	3,660
STR-007	40th Street East Improvements (Avenue S to Pearblossom Highway)	$	13,780
STR-008	Avenue M (AV Freeway to 10th West - southside only)	$	5,000
STR-009	Avenue M at 10th Street West Infrastructure Improvements	$	4,300
STR-010	Avenue M Grade Separation Project	$	82,840
STR-011	Avenue M Widening (Sierra Highway to 20th St. East - south side)	$	13,230
STR-012	Avenue N Widening (10th Street West to Sierra Highway)	$	16,370
STR-013	Avenue Q (SR-14 to Division Street)	$	4,340
STR-014	Avenue Q Widening (Sierra Highway to 20th Street East)	$	32,300
STR-015	Avenue R Complete Streets (Sierra Highway to 25th Street East)	$	12,688
STR-016	Avenue S (55th Street East to 70th Street East)	$	21,010
STR-017	Avenue S Improvement (25th Street East to 30th Street East)	$	870
STR-018	Avenue T @ Pearblossom Highway Widen Westbound Approach	$	2,160
STR-019	Rancho Vista Grade Separation Project	$	70,010
STR-021	Rayburn Road (Tierra Subida to Division Street)	$	9,150
STR-022	Sierra Highway Widening (Avenue R-8 to Avenue S)	$	9,260
STR-023	Technology Drive Widening (SR-14 to 3rd Street East)	$	9,740
STR-024	State Route 138 - 5th East to 10th East Improvments	$	20,668
STR-025	State Route 138 (SR-14)/ On & Off ramp at Palmdale Blvd.	$	34,000
STR-026	State Route 14- 10th Street West Widening/Interchange Project	$	24,223
STR-027	State Route 14 - Avenue N Overcrossing	$	44,000
STR-028	Avenue M Improvements - Sierra Highway to 10th Street East	$	2,000
STR-029	Bike Path - 60th Street West from Avenue N to Aqueduct	$	1,000
STR-030	Tierra Subida/Avenue R-5/Rayburn Road Intersection Project	$	1,300

FIVE YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
STREET PROJECT LIST

Project#	Project Titles		Est. Total (in thousands)
STR-031	Avenue Q Widening and Sierra Highway Bicycle Improvements	$	8,250
STR-032	Civic Center Complete Streets	$	3,819
STR-033	Palmdale Boulevard Sidewalk Improvements Phase II	$	10,920
STR-034	Avenue Q-12 (between 10th St. East to 12th St. East) Gap Closure	$	1,525
STR-035	Rancho Vista Widening @ 22nd Street West	$	150
STR-036	HSIP Roundabout at 40th Street East and Avenue S-8	$	2,890
STR-037	Rancho Vista Blvd at Sierra Highway Railroad Safety Crossing Improvements	$	9,000
STR-038	Ave R and Sierra Highway Railroad Safety Crossing Improvements	$	1,000
STR-039	NEC Ave R & Sierra Highway Right-Hand Turn Lane	$	750
STR-040	Tourism - Musical Road	$	200
	Total	**$**	**529,073**

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Active Transportation Program

Description Active Transportation Program (formerly Bikeway Program). Plan looks at complete streets, bikeways, trails, etc. From this plan future projects will be developed based upon the program's recommendation.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Article 3 Fund			$324	$324	$324	$972
Prop C Fund			$324	$324	$324	$972
Grant Fund			$972	$972	$972	$2,916
Total			$1,620	$1,620	$1,620	$4,860

Sidewalk Improvement Program

Description Installation of new sidewalks for existing pedestrian traffic, and the replacement of sidewalks which create a potential safety problem.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Gas Tax Fund			$834	$833	$833	$2,500
CDBG Fund			$834	$833	$833	$2,500
Total			$1,668	$1,666	$1,666	$5,000

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Street Resurfacing Program

Description

Application of asphalt pavement overlays and roadway reconstruction to local and arterial streets to prolong the reconstruction to local and arterial streets to prolong the life of the exising asphalt pavement. The Pavement Management System is utilized to prioritize streets to be included in the program.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Article 8 Fund	$2,000	$2,000	$2,000	$2,000	$2,000	$10,000
Gas Tax Fund	$0	$1,500	$2,000	$3,000	$2,000	$8,500
Prop C Fund	$3,450	$2,000	$2,000	$1,000	$1,000	$9,450
RMRA (SB1) Fund	$3,550	$2,000	$2,000	$1,000	$1,000	$9,550
Total	$9,000	$7,500	$8,000	$7,000	$6,000	$37,500

25th Street East Widening (Avenue R to Palmdale Blvd)

Description

Street Widening improvements to include: design; property acquisition; construction of asphalt pavement, curb, gutter, street lighting; traffic signal and sidewalk improvements.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Traffic Impact Fee					$1,490	$1,490
Developer Contribution					$3,820	$3,820
Total					$5,310	$5,310

30th Street East Improvements (Avenue R to Palmdale Blvd)

Description Street Widening improvements to include: design; property acquisition; construction of asphalt pavement, curb, gutter, street lighting; traffic signal and sidewalk improvements.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Traffic Impact Fee				$500	$1,550	$2,050
Developer Contribution				$500	$1,110	$1,610
Total				$1,000	$2,660	$3,660

40th Street East Improvements (Avenue S to Pearblossom Highway)

Description Street Widening improvements to include: design; property acquisition; construction of asphalt pavement, curb, gutter, street lighting; traffic signal and sidewalk improvements.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Traffic Impact Fee				$1,000	$3,410	$4,410
Developer Contribution				$4,680	$4,690	$9,370
Total				$5,680	$8,100	$13,781

Avenue M (AV Freeway to 10th West - southside only)

Description Street Widening improvements to include: design; property acquisition; construction of asphalt pavement, curb, gutter, street lighting; traffic signal and sidewalk improvements. This is the City's share as part of the Measure R project for Avenue M/SR 14 - handled by City of Lancaster.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Measure R Fund	$5,000					$5,000
Total	$5,000					$5,000

Avenue M at 10th Street West Infrastructure Improvements

Description Installation of street and drainage improvements for the development of City owned 120-acres at the southeast corner of Avenue M and 10th Street West.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
EIFD Fund					$2,150	$2,150
Drainage Fees					$2,150	$2,150
Total					$4,300	$4,300

Avenue M Grade Separation Project

Description A grade separation (over/under) Avenue M at its intersection with the railroad tracks, to include access ramps to and from Avenue M. The project will include study reports, environmental studies, project design, right-of-way acquisition, and construction and construction management. No. 4 Grade Separation Priority.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Grant Fund	$1,000				$81,840	$82,840
Total	$1,000				$81,840	$82,840

Avenue M Widening (Sierra Highway to 20th St. East - south side)

Description Street Widening improvements to include: design; property acquisition; construction of asphalt pavement, curb, gutter, street lighting; traffic signal and sidewalk improvements.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Gas Tax Fund					$3,040	$3,040
Traffic Impact Fee					$3,040	$3,040
Developer Contribution					$7,150	$7,150
Total					$13,230	$13,230

Avenue N Widening (10th Street West to Sierra Highway)

Description

Street Widening improvements to include: design; property acquisition; construction of asphalt pavement, curb, gutter, street lighting; traffic signal and sidewalk improvements from 10th West to Sierra Highway. Widening from interchange to 10th West is part of SR 14/Avenue N Measure R interchange project.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Traffic Impact Fee					$2,456	$2,456
Developer Contribution					$13,914	$13,914
Total					$16,370	$16,370

Avenue Q (SR-14 to Division Street)

Description

Construct ultimate street improvements including asphalt pavement, curb gutter, sidewalk, storm drain, street lights, and traffic signal improvements between Antelope Valley Freeway and Division Street.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Traffic Impact Fee			$998			$998
Developer Contribution			$3,342			$3,342
Total			$4,340			$4,340

Avenue Q Widening (Sierra Highway to 20th Street East)

Description Widening of Avenue Q between Sierra Highway and 20th Street East to its ultimate right-of-way, including utility relocations, right-of-way acquisition, street lights, traffic signals, and roadway paving.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Gas Tax Fund				$1,838	$2,064	$3,902
Traffic Impact Fee				$1,000	$1,584	$2,584
Grant Fund	$276			$5,000	$20,538	$25,814
Total	$276			$7,838	$24,186	$32,300

Avenue R Complete Streets (Sierra Highway to 25th Street East)

Description Sidewalk gap closure along both sides of Avenue R from Sierra Highway to 25th Street East. Project entails: right of way relocation, utility relocations, curb, gutter, sidewalk, bulb outs.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Gas Tax Fund	$106					$106
Grant Fund	$5,166					$5,166
Measure M Fund	$2,638					$2,638
Prop C Fund	$2,359					$2,359
Article 8 Fund	$2,419					$2,419
Total	$12,688					$12,688

Avenue S (55th Street East to 70th Street East)

Description Widening of Avenue S between 55th St. East and 70th Street East to provide full street improvements, including utility relocations, right-of-way acquisition, street lights, traffic signals, and roadway paving.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Traffic Impact Fee					$3,997	$3,997
Developer Contribution					$12,181	$12,181
Grant Fund					$4,832	$4,832
Total					$21,010	$21,010

Avenue S Improvement (25th Street East to 30th Street East)

Description Widening of Avenue S between 25th Street East and 30th Street East to provide full street improvements, including utility relocations, right-of-way acquisition, street lights, traffic signals, storm drain, and roadway paving.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Traffic Impact Fee				$200	$200	$400
Developer Contribution				$0	$470	$470
Total				$200	$670	$870

Avenue T @ Pearblossom Highway Widen Westbound Approach

Description: Street Widening improvements to include: design; property acquisition, construction of asphalt pavement, curb, gutter, street lighting, traffic signal modification, and removal of existing power poles.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Traffic Impact Fee					$994	$994
Developer Contribution					$1,166	$1,166
Total					$2,160	$2,160

Rancho Vista Grade Separation Project

Description: A six-lane grade separation (underpass) of Rancho Vista Blvd. at its intersection with the railroad tracks (e/o Sierra Hwy), to include access ramps to Sierra Highway. This project will include project study reports, environmental studies, project design, right-of-way acquisition, construction, and construction management.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Grant Fund					$70,010	$70,010
Total					$70,010	$70,010

Rayburn Road (Tierra Subida to Division Street)

Description This project involves the design, construction, and property acquisition for street widening, curb, gutter, and sidewalks, traffic striping, storm drains, landscaping and irrigation, street lights, utility undergrounding, traffic signal modifications and other related infrastructure improvements.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Traffic Impact Fee					$3,020	$3,020
Developer Contribution					$6,130	$6,130
Total					$9,150	$9,150

Sierra Highway Widening (Avenue R-8 to Avenue S)

Description Widening of Sierra Highway between Avenue R-8 and Avenue S to provide six traffic lanes.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Traffic Impact Fee					$3,982	$3,982
Developer Contribution					$5,278	$5,278
Total					$9,260	$9,260

Technology Drive Widening (SR-14 to 3rd Street East)

Description Street Widening improvements to include: design; property acquisition, construction of asphalt pavement, curb, gutter, street lighting, traffic signal modification, and removal of existing power poles.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Traffic Impact Fee					$3,409	$3,409
Developer Contribution					$6,331	$6,331
Total					$9,740	$9,740

State Route 138 - 5th East to 10th East Improvments

Description Phased project to upgrade the intersection at 6th Street East and Palmdale Blvd. and upgrade railroad signal mast arm at the train crossing.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Measure R Fund	$5,167		$5,167	$5,167	$5,167	$20,668
Total	$5,167		$5,167	$5,167	$5,167	$20,668

FIVE-YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

State Route 138 (SR-14)/ On & Off ramp at Palmdale Blvd.

Description Interchange improvements at southbound off-ramp at SR 138 (SR 14) and Palmdale Blvd. and addition of right-hand turn lane at Division Street at Palmdale Blvd.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Measure M Fund	$4,000					$4,000
Measure R Fund	$16,000	$14,000				$30,000
Total	$20,000	$14,000				$34,000

State Route 14- 10th Street West Widening/Interchange Project

Description Widening of 10th Street West to an 8-lane major arterial; upgrade and/or modify existing traffic signals and modify 10th Street West northbound on-ramp and southbound off-ramp from and onto SR 138/14.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Measure R Fund			$6,500	$9,223	$8,500	$24,223
Total			$6,500	$9,223	$8,500	$24,223

State Route 14 - Avenue N Overcrossing

Description Interchange improvements at northbound off-ramp at SR 138 (SR-14) and Avenue N; widening of Avenue N from 15th West to West of 10th Street West, Project cost estimated at $33m, moving Measure R grant funds to SR138 Plmd SB 14 Ramp project. Future funding to be determined.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Measure R Fund					$44,000	$44,000
Total					$44,000	$44,000

Avenue M Improvements - Sierra Highway to 10th Street East

Description Street and infrastructure improvements along frontage of industrial zone properties. Potential signalized intersection listed in Traffic Project section.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Traffic Impact Fee					$2,000	$2,000
Total					$2,000	$2,000

Bike Path - 60th Street West from Avenue N to Aqueduct

Description Class 1 bikepath connecting existing bikepath along California Aqueduct to existing Class 1 bikepath south of Avenue N.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Article 3 Fund					$100	$100
Prop C Fund					$100	$100
Grant Fund					$800	$800
Total					$1,000	$1,000

Tierra Subida/Avenue R-5/Rayburn Road Intersection Project

Description Project will provide intersection widening, s/b right turn pocket, and signal upgrade to provide for 4th leg on Avenue R-4.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Developer Contribution					$1,300	$1,300
Total					$1,300	$1,300

Avenue Q Widening and Sierra Highway Bicycle Improvements

Description This future project will enhance bicycle and vehicular flow along Avenue Q from 20th Street East to Sierra Highway. Bikeway improvements will be added on the west side of Sierra Highway from Technology Drive to Avenue Q.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Prop C Fund				$500	$500	$1,000
Gas Tax Fund				$500	$500	$1,000
Grant Fund				$3,125	$3,125	$6,250
Total				$4,125	$4,125	$8,250

Civic Center Complete Streets

Description This future project will enhance bicycle and vehicular flow along Avenue Q-9 to Q-11 and from 9th Street East to 10th Street East. Bikeway, pedestrian and traffic roundabout improvements will proposed.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Gas Tax Fund	$2,719					$2,719
Measure R Fund	$100					$100
Grant Fund		$1,000				$1,000
Total	$2,819	$1,000				$3,819

Palmdale Boulevard Sidewalk Improvements Phase II

Description Sidewalk improvement project along Palmdale Blvd (SR 138) from 12th Street East to Avenue S. Work to include: sidewalk, curb ramps, c&g; drainage improvements; permanent water quality control and detention basin; utility relocation; upgrade existing traffic signals.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Grant Fund	$550			$4,635	$5,735	$10,920
Total	$550			$4,635	$5,735	$10,920

Avenue Q-12 (between 10th St. East to 12th St. East) Gap Closure

Description Gap closure on Avenue Q-12 (both sides) between 11th Street East to 12th Street Est. Project to include roadway widening, curb, gutter and sidewalk.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
CDBG Fund	$1,525					$1,525
Total	$1,525					$1,525

Rancho Vista Widening @ 22nd Street West

Description Widen the southside of Rancho Vista Boulevard between 22nd Street West and approximately 330 feet west of 22nd Street West (frontage road of APN 3003-029-032). Project to include R/W acquisition, roadway widening, curb, gutter and sidewalk.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Gas Tax Fund					$150	$150
Total					$150	$150

HSIP Roundabout at 40th Street East and Avenue S-8

Description This project will convert an existing two-way stop to a roundabout at the intersection of Avenue S-8 and 40th Street East.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Measure R Fund	$1,482					$1,482
Grant Fund	$1,408					$1,408
Total	$2,890					$2,890

Rancho Vista Blvd at Sierra Highway Railroad Safety Crossing

Description The CPUC has provided funding to obtain safety improvements at the railroad crossing at Rancho Vista Boulevard and Sierra Highway.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Grant Fund	$4,000	$5,000				$9,000
Total	$4,000	$5,000				$9,000

Ave R and Sierra Highway Railroad Safety Crossing Improvements

Description The CPUC has provided funding to obtain safety improvements at the railroad crossing at Avenue R and Sierra Highway. Estimated funding.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Grant Fund	$1,000					$1,000
Total	$1,000					$1,000

NEC Ave R & Sierra Highway Right-Hand Turn Lane

Description Provide a right-hand turn lane from Avenue R to northbound Sierra Highway.

All figures below in thousands of dollars

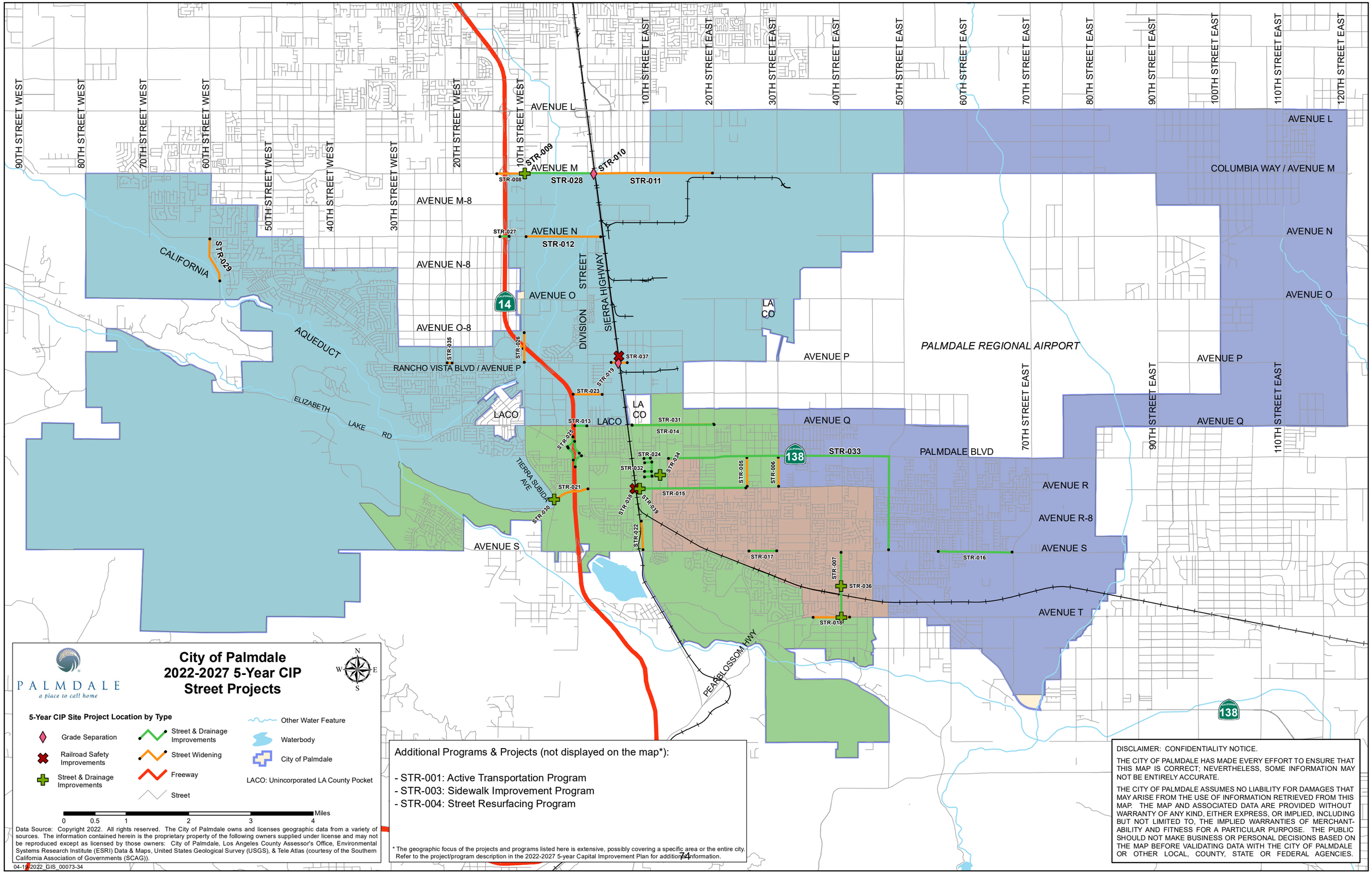
Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Grant Fund	$750					$750
Total	$750					$750

Tourism - Musical Road

Description Installation of a "musical road" along 10th West to Sierra Highway, the song will be the marine hymn to encourage tourism to the area.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY 26-27	Estimated Total
Grant Fund	$200					$200
Total	$200					$200


City of Palmdale
2022-2027 5-Year CIP
Street Projects
PALMDALE
a place to call home
N
W
E
S
5-Year CIP Site Project Location by Type
Grade Separation
Railroad Safety Improvements
Street & Drainage Improvements
Street & Drainage Improvements
Street Widening
Freeway
Street
Other Water Feature
Waterbody
City of Palmdale
LACO: Unincorporated LA County Pocket
0 0.5 1 2 3 4 Miles
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04-19-2022_GIS_00073-34
Additional Programs & Projects (not displayed on the map*):
- STR-001: Active Transportation Program
- STR-003: Sidewalk Improvement Program
- STR-004: Street Resurfacing Program
* The geographic focus of the projects and programs listed here is extensive, possibly covering a specific area or the entire city. Refer to the project/program description in the 2022-2027 5-year Capital Improvement Plan for additional information.
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RANCHO VISTA BLVD / AVENUE P
AVENUE P
AVENUE Q
PALMDALE BLVD
AVENUE R
AVENUE R-8
AVENUE S
AVENUE T
COLUMBIA WAY / AVENUE M
PALMDALE REGIONAL AIRPORT
SIERRA HIGHWAY
DIVISION STREET
CALIFORNIA AQUEDUCT
ELIZABETH LAKE RD
TIERRA SUBIDA AVE
PEARBLOSSOM HWY
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CITY OF PALMDALE

TRAFFIC PROJECTS

ACCREDITED AGENCY

A•P•W•A

FIVE YEAR FUNDING SUMMARY

TRAFFIC PROJECTS

2022-2027

(all figures below in thousands of dollars)

Funding Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total*
Gas Tax Fund	$ -	$ -	$ -	$ 420	$ -	$ 420
Measure M Fund	$ 500	$ 500	$ -	$ -	$ -	$ 1,000
RMRA (SB1) Fund	$ 500	$ -	$ -	$ -	$ -	$ 500
Outside Jurisdictions	$ -	$ -	$ -	$ 265	$ -	$ 265
Traffic Impact Fee	$ 1,033	$ -	$ -	$ 4,330	$ -	$ 5,363
TOTALS	**$2,033**	**$500**	**$0**	**$5,015**	**$0**	**$7,548**

* The amount shown is a preliminary estimate of the cost of the project and is not intended to be an estimate of the anticipated amount of the revenue. Revenue estimates are calculated annually as part of the annual budget process and are considered before projects are approved as part of the City's annual budget.

FIVE YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
TRAFFIC PROJECT LIST

Project#	Project Titles		Est. Total (in thousands)
TRF-001	Traffic Signal Modification - Avenue M at 10th Street West	$	515
TRF-002	Traffic Signal - Avenue M at 4th Street East	$	650
TRF-003	Traffic Signal Modification - Avenue R at 47th Street East	$	420
TRF-004	Traffic Signal - Avenue S at Greenbrier Street	$	650
TRF-005	Traffic Signal - Town Center @ Bolz Ranch Road	$	650
TRF-006	Traffic Signal - Rancho Vista Blvd (Avenue P) at Homeridge Drive	$	650
TRF-007	Traffic Signal - Technology Drive (Avenue P-8) at 3rd Street East	$	650
TRF-008	Traffic Signal Modification - Rancho Vista Blvd. at 15th Street West	$	830
TRF-009	Traffic Signal - Ave R and 45th Street East	$	1,033
TRF-010	Traffic Signal - Rancho Vista & Armfield Signal and Interaction Safety Improvements	$	500
TRF-011	Traffic Signal - Avenue M and 20th Street East	$	500
TRF-012	Traffic Signal - Avenue M and 30th Street East	$	500
	Total	**$**	**7,548**

POTENTIAL FUTURE PROJECTS:

Traffic Signal - Avenue R at Challenger Way
Traffic Signal - Avenue R-8 at 25th Street East
Traffic Signal - Avenue R-8 at 35th Street East
Traffic Signal - Avenue R-8 at 47th Street East
Traffic Signal - Avenue R-8 at 55th Street East
Traffic Signal - Avenue R-8 at 60th Street East
Traffic Signal - Avenue R-8 at 65th Street East
Traffic Signal - Palmdale Boulevard at 55th Street East
Traffic Signal - Palmdale Boulevard at 60th Street East
Traffic Signal - Palmdale Boulevard at 65th Street East

Traffic Signal Modification - Avenue M at 10th Street West

Description This project will improve traffic operations by modifying the existing traffic signal.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Traffic Impact Fee				$250	$0	$250
Outside Jurisdictions				$265	$0	$265
Total				$515	$0	$515

Traffic Signal - Avenue M at 4th Street East

Description This project will improve traffic operations by installing a traffic signal and providing intersection widening.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Gas Tax Fund				$420		$420
Total				$420		$420

Traffic Signal Modification - Avenue R at 47th Street East

Description This project will improve traffic operations by modifying the existing traffic signal.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Traffic Impact Fee				$420		$420
Total				$420		$420

Traffic Signal - Avenue S at Greenbrier Street

Description This project will improve traffic operations by installing a traffic signal and providing intersection widening.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Traffic Impact Fee				$650		$650
Total				$650		$650

Traffic Signal - Town Center at Bolz Ranch Road

Description This project will improve traffic operations by installing a traffic signal and providing intersection widening.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Traffic Impact Fee				$650		$650
Total				$650		$650

Traffic Signal - Rancho Vista Boulevard (Avenue P) at Homeridge Drive

Description This project will improve traffic operations by installing a traffic signal and providing intersection widening.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Traffic Impact Fee				$650		$650
Total				$650		$650

Traffic Signal - Technology Drive (Avenue P-8) at 3rd Street East

Description This project will improve traffic operations by installing a traffic signal and providing intersection widening.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Traffic Impact Fee				$650		$650
Total				$650		$650

Traffic Signal Modification - Rancho Vista Blvd. at 15th Street West

Description Signal Modifcation at Rancho Vista Blvd and 15th Street West. Widen the north side of Rancho Vista Blvd from 15th Street West to approximately 700 feet west of 15th Street West; widen the west side of 15th Street West from Rancho Vista Blvd. to approximately 600 feet north of Rancho Vista Blvd.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Traffic Impact Fee				$830		$830
Total				$830		$830

Traffic Signal - Ave R and 45th Street East

Description This project will consist of improving the intersection by installing a Traffic Signal. This will include installing curb, gutter, sidewalks, asphalt pavement, future street lighting conduit, traffic signal poles and striping.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Traffic Impact Fee	$1,033					$1,033
Total	$1,033					$1,033

Traffic Signal - Rancho Vista & Armfield Signal and Interaction Safety Improvements

Description Signal modification to remove permissive left-turns and implement protected left-turn signal phasing. Replace existing signal poles and mast arms to meet required lengths and current standards for new signal phasing operation. Upgrade signal heads with higher visibility features. Implement vehicle detection capable of red extension. Construction of required ADA features due to scope of project. Roadway drainage improvements as needed. Landscaping work as needed.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
SB1 (RMRA) Fund	$500					$500
Total	$500					$500

Traffic Signal - Avenue M and 20th Street East

Description Signal modification to remove permissive left-turns and implement protected left-turn signal phasing. Replace existing signal poles and mast arms to meet required lengths and current standards for new signal phasing operation. Upgrade signal heads with higher visibility features. Implement vehicle detection capable of red extension. Construction of required ADA features due to scope of project. Roadway drainage improvements as needed.

All figures below in thousands of dollars

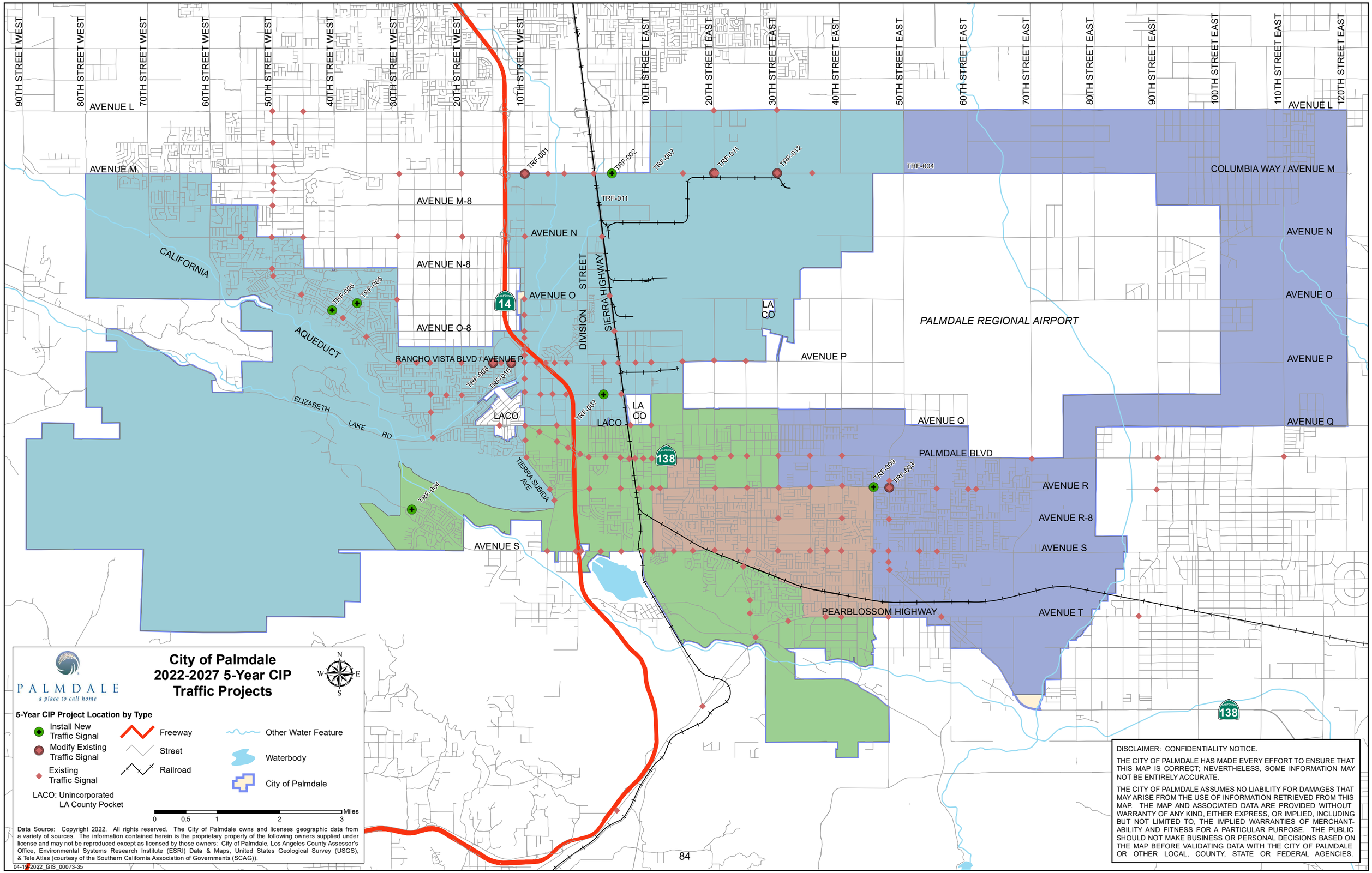
Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
CIP Fund	$500					$500
Total	$500					$500

Traffic Signal - Avenue M and 30th Street East

Description Signal modification to remove permissive left-turns and implement protected left-turn signal phasing. Replace existing signal poles and mast arms to meet required lengths and current standards for new signal phasing operation. Upgrade signal heads with higher visibility features. Implement vehicle detection capable of red extension. Construction of required ADA features due to scope of project. Roadway drainage improvements as needed.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
CIP Fund		$500				$500
Total		$500				$500


City of Palmdale
2022-2027 5-Year CIP
Traffic Projects
PALMDALE
a place to call home
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5-Year CIP Project Location by Type
Install New Traffic Signal
Modify Existing Traffic Signal
Existing Traffic Signal
Freeway
Street
Railroad
Other Water Feature
Waterbody
City of Palmdale
LACO: Unincorporated LA County Pocket
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Data Source: Copyright 2022. 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)).
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AVENUE O
AVENUE O-8
RANCHO VISTA BLVD / AVENUE P
AVENUE P
AVENUE Q
PALMDALE BLVD
AVENUE R
AVENUE R-8
AVENUE S
PEARBLOSSOM HIGHWAY
AVENUE T
COLUMBIA WAY / AVENUE M
PALMDALE REGIONAL AIRPORT
CALIFORNIA AQUEDUCT
ELIZABETH LAKE RD
TIERRA SUBIDA AVE
SIERRA HIGHWAY
DIVISION STREET
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TRF-001
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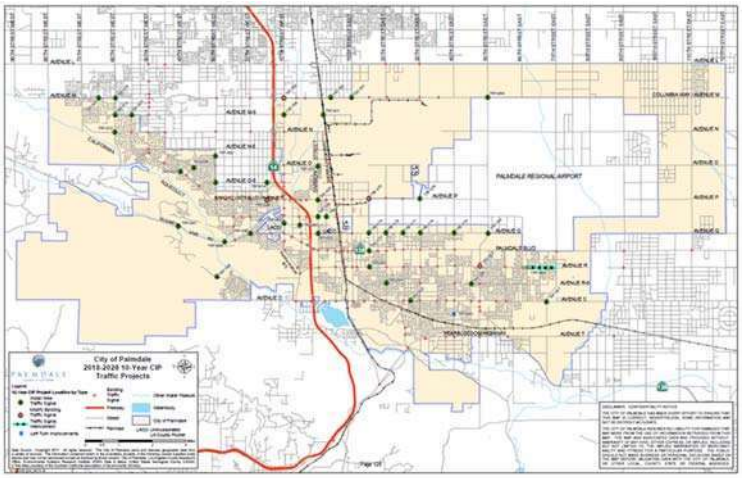
CITY OF PALMDALE

WATERSHED RESOURCES PROJECTS



ACCREDITED AGENCY

FIVE YEAR FUNDING SUMMARY

WATERSHED RESOURCES PROJECTS

2022-2027

(all figures below in thousands of dollars)

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total*
Developer Contribution	$ -	$ -	$ -	$ -	$ 8,005	$ 8,005
Drainage Fund	$ 6,370	$ 185	$ 185	$ 2,265	$ 4,445	$ 13,450
Meas A Grant Fund	$ 1,000	$ -	$ -	$ -	$ -	$ 1,000
Sewer Maintenance Fund	$ 500	$ -	$ 175	$ 175	$ 210	$ 1,060
Sewer Upgrade Fund	$ -	$ -	$ -	$ -	$ 2,185	$ 2,185
TBD	$ -	$ -	$ 15,100	$ 15,100	$ -	$ 30,200
TOTALS	**$ 7,870**	**$ 185**	**$ 15,460**	**$ 17,540**	**$ 14,845**	**$ 55,900**

***** The amount shown is a preliminary estimate of the cost of the project and is not intended to be an estimate of the anticipated amount of the revenue. Revenue estimates are calculated annually as part of the annual budget process and are considered before projects are approved as part of the City's annual budget.

FIVE YEAR CAPITAL IMPROVEMENT PROJECTS (2022-2027)
WATERSHED RESOURCES PROJECT LIST

Project#	Project Titles		Est. Total (in thousands)
WSR-001	Sewer Repairs	$	1,060
WSR-002	Amargosa Area Watershed Improvement Program	$	200
WSR-003	Anaverde Area Watershed Improvement Program	$	200
WSR-004	Pearland Area Watershed Improvement Program	$	200
WSR-005	Portal Ridge Area Drainage Improvement Program	$	200
WSR-006	Upper Amargosa Creek Recharge, Habitat Mitigation/Trail Enhancement	$	3,300
WSR-007	Rancho Vista Blvd Storm Drain System - 3rd St East to 15th St East	$	9,250
WSR-008	45th Street East Storm Drain - Avenue R to Palmdale Blvd.	$	3,480
WSR-009	Avenue Q Drainage Improvements-30th St East to 35th St East	$	290
WSR-010	Avenue R at 35th Street East Storm Drain	$	290
WSR-011	Avenue R at 37th Street East Storm Drain	$	1,330
WSR-012	Rancho Vista Blvd Sewer Upgrade 25th St. West to 10th St. West	$	1,740
WSR-013	30th Street West Sewer Upgrade from Ave P-8 to Joshua Ranch Road	$	850
WSR-014	Oasis Park Basin Upgrade	$	660
WSR-015	Pearland Drainage Plan Study	$	650
WSR-016	Division Street at Avenue R Regional Basin Design and Construction	$	32,200
	Total	**$**	**55,900**

FIVE YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Sewer Repairs

Description Miscellaneous sewer repairs throughout the City including but not limited to repair and replace linings, and spot repairs.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Sewer Maintenance	$500		$175	$175	$210	$1,060
Total	$500		$175	$175	$210	$1,060

Amargosa Area Watershed Improvement Program

Description Studies, reports and minor improvement projects to drainage system in the Amargosa watershed area to improve drainage flow, reduce flooding and protect property.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Drainage Fund	$10	$10	$10	$10	$160	$200
Total	$10	$10	$10	$10	$160	$200

Anaverde Area Watershed Improvement Program

Description Studies, reports and minor improvement projects to drainage system in the Anaverde watershed area to improve drainage flow, reduce flooding and protect property.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Drainage Fund	$50	$25	$25	$25	$75	$200
Total	$50	$25	$25	$25	$75	$200

Pearland Area Watershed Improvement Program

Description Studies, reports and minor improvement projects to drainage system in the Pearland watershed area to improve drainage flow, reduce flooding and protect property.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Drainage Fund	$50	$25	$25	$25	$75	$200
Total	$50	$25	$25	$25	$75	$200

Portal Ridge Area Drainage Improvement Program

Description Studies, reports and minor improvement projects to drainage system in the Portal Ridge drainage area to improve drainage flow, reduce flooding and protect property.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Drainage Fund	$50	$25	$25	$25	$75	$200
Total	$50	$25	$25	$25	$75	$200

Upper Amargosa Creek Recharge, Habitat Mitigation/Trail Enhancement

Description The project will continue providing for environmental monitoring of the site for recharging of the aquifer and also provide for the mitigation of land as required by the State Water Resource Board grant. Additional grant funds received for trail and habitat restoration essential for providing access and connectivity.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Drainage Fund	$1,900	$100	$100	$100	$100	$2,300
Meas A Grant Fund	$1,000					$1,000
Total	$2,900	$100	$100	$100	$100	$3,300

Rancho Vista Blvd Storm Drain System - 3rd St East to 15th St East

Description Construction of 30-inch and 48-inch storm drain in Rancho Vista Blvd from 3rd Street East to 10th Street East, a triple 12' x 10' RCB across Rancho Vista Blvd at 10th St. East and a 12' x 8' RCB across Rancho Vista Blvd at 15th St. East.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Drainage Fund					$1,650	$1,650
Developer Contributions					$7,600	$7,600
Total					$9,250	$9,250

45th Street East Storm Drain - Avenue R to Palmdale Blvd.

Description Construction of storm drain facilities from Ave R-8 to Avenue P-12 per Master Plan (78-inch pipe from Avenue R-8 to Avenue R and 90-inch pipe from Avenue R to north of Palmdale Blvd. With a spreading structure at the outlet).

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Drainage Fund	$1,000			$2,080	$400	$3,480
Total	$1,000			$2,080	$400	$3,480

Avenue Q Drainage Improvements-30th St East to 35th St East

Description Elimination of cross gutters across Avenue Q at 30th, 31st, and 35th Street East.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Drainage Fund					$290	$290
Total					$290	$290

Avenue R at 35th Street East Storm Drain

Description Install 48-inch and 42-inch RCP across intersection of Avenue R and 35th Street East.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Drainage Fund					$290	$290
Total					$290	$290

Avenue R at 37th Street East Storm Drain

Description Construction of 48-inch storm drain in Avenue R from 35th to 37th Street East and construction of double 48-inch reinforced concrete pipe along 37th Street East to 40th St East.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Drainage Fund					$1,330	$1,330
Total					$1,330	$1,330

Rancho Vista Blvd Sewer Upgrade 25th St. West to 10th St. West

Description Upgrade the existing sewer in Rancho Vista Blvd from 25th Street West to 10th Street West. Existing sewer line is at capacity.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Sewer Upgrade Fund					$1,740	$1,740
Total					$1,740	$1,740

30th Street West Sewer Upgrade from Ave P-8 to Joshua Ranch Road

Description Upsize and replacement of 2,500 feet of 8-inch to 10-inch sewer pipe in 30th Street West from Ave P-8 to Joshua Ranch Road.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Sewer Upgrade Fund					$445	$445
Developer Contribution					$405	$405
Total					$850	$850

Oasis Park Basin Upgrade

Description Provide fencing and drainage structures upgrades at Oasis Park. Said regional basin services properties within the Pearland Watershed District.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Drainage Fund	$660					$660
Total	$660					$660

FIVE YEAR CAPITAL IMPROVEMENT PLAN (2022-2027)

Pearland Drainage Plan Study

Description City working on a drainage plan study for Pearland that will lead into an overall City Master Drainage Plan in the future.

All figures below in thousands of dollars

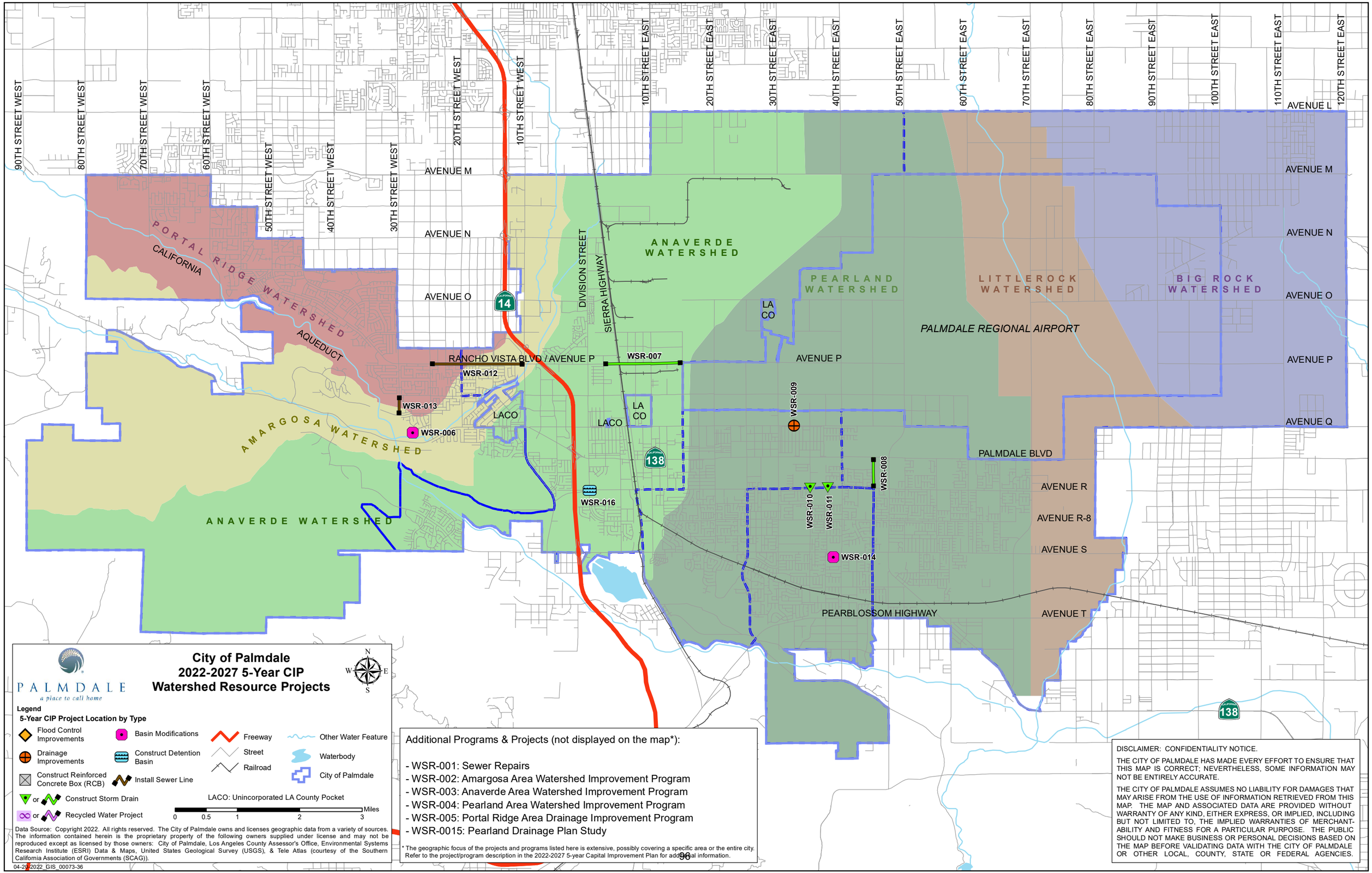
Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Drainage Fund	$650					$650
Total	$650					$650

Division Street at Avenue R Regional Basin Design and Construction

Description Design and construction of a regional basin purposes at Avenue R and Division Street.

All figures below in thousands of dollars

Fund Source	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	Estimated Total
Drainage Fund	$2,000					$2,000
TBD			$15,100	$15,100		$30,200
Total	$2,000		$15,100	$15,100		$32,200


City of Palmdale
2022-2027 5-Year CIP
Watershed Resource Projects
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a place to call home
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5-Year CIP Project Location by Type
Flood Control Improvements
Drainage Improvements
Construct Reinforced Concrete Box (RCB)
or Construct Storm Drain
or Recycled Water Project
Basin Modifications
Construct Detention Basin
Install Sewer Line
Freeway
Street
Railroad
Other Water Feature
Waterbody
City of Palmdale
LACO: Unincorporated LA County Pocket
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04-20-2022_GIS_00073-36
Additional Programs & Projects (not displayed on the map*):
- WSR-001: Sewer Repairs
- WSR-002: Amargosa Area Watershed Improvement Program
- WSR-003: Anaverde Area Watershed Improvement Program
- WSR-004: Pearland Area Watershed Improvement Program
- WSR-005: Portal Ridge Area Drainage Improvement Program
- WSR-0015: Pearland Drainage Plan Study
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AVENUE O
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AVENUE Q
AVENUE R
AVENUE R-8
AVENUE S
AVENUE T
PORTAL RIDGE WATERSHED
CALIFORNIA AQUEDUCT
AMARGOSA WATERSHED
ANAVERDE WATERSHED
PEARLAND WATERSHED
LITTLEROCK WATERSHED
BIG ROCK WATERSHED
PALMDALE REGIONAL AIRPORT
DIVISION STREET
SIERRA HIGHWAY
RANCHO VISTA BLVD / AVENUE P
PALMDALE BLVD
PEARBLOSSOM HIGHWAY
LACO
LA CO
WSR-001
WSR-002
WSR-003
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WSR-011
WSR-012
WSR-013
WSR-014
WSR-016
14
138

CITY OF PALMDALE

S LMD Landscape Enhancement

City of Palmdale
Public Works Department
38250 Sierra Highway
Palmdale, CA 93550-4798
661-267-5300
www.cityofpalmdale.org

#Palmdale CARES

ACCREDITED AGENCY

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **1, 2**

SUBJECT: **ADOPT RESOLUTION NO. CC 2022-039, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE OF INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2022/2023, 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 2022-039, a Resolution of the City Council of the City of Palmdale of intention to continue assessments for Fiscal Year 2022/2023, 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.

RECOMMENDATION

Staff recommends that the City Council adopt Resolution No. CC 2022-039 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 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 4, 2022, the City Council took the first step to continue assessing the levies for Fiscal Year 2022/2023 by adopting Resolution No. CC 2022-037, which directed NBS, as the Engineer of Work, 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 2022/2023.

This Resolution No. CC 2022-039 is the second step which provides intention to continue the assessments for Fiscal Year 2022/2023, preliminarily approves the 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 annual Engineer's Report and the ordering of the levies for Fiscal Year 2022/2023 that will be held by the City Council on July 13, 2022.

The annual Engineer's Report contains information required by the Benefit Assessment Act of 1982 and Article XIIIC and XIIID of the California Constitution (Proposition 218) determining the special benefit to property owners within 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 annual Engineer's Report establishes the important foundation and justification for the continued collection of the assessments for Fiscal Year 2022/2023.

FISCAL IMPACT

The annual Engineer's Report indicates the proposed assessments for the City of Palmdale Drainage Benefit Assessment Districts No. 1 and No. 2006-02 and is included as an attachment.

Based on the annual CPI increase of 7.40%, the total proposed assessments for both Districts for Fiscal Year is $139,056.26.

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:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Resolution No. CC 2022-039
2. Fiscal Year 2022/2023 Engineer's Report For: Drainage Benefit Assessment Districts

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2022-039

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE OF INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2022/2023, 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 2022/2023.

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 2022/2023.

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 existing Districts are shown on maps on file in the office of the Director of Public Works, are incorporated herein by reference, and are open to public inspection. The designation of the 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 2021 to February 2022 was 7.40%, therefore, the maximum authorized assessment rates for Fiscal Year 2022/2023 are the previous year maximum authorized assessment rate for each District increased by 7.40%. The amount of the assessments proposed does not exceed the authorized amount.

SECTION 8. A public hearing regarding the proposed assessments for the Districts shall be held by the City Council on July 13, 2022 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, 2022.

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, 2022 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____ _____
Shanae S. Smith, City Clerk

CITY OF PALMDALE

Fiscal Year 2022/23 Engineer's Report For:

Drainage Benefit Assessment Districts

May 2022

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 2022/23 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 2022/23, 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 2022/23, 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 2022/23 Assessment Amount	Proposed Assessment Rate per EDU	Maximum Assessment Rate Per EDU
DBAD No. 1	1,417	1,417.00	$69,815.59	$49.27	$49.27
DBAD No. 2006-02	44	6,841.99	69,240.67	10.12	52.16
Totals:	**1,461**	**8,258.99**	**$139,056.26**		

(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 2022/23 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 2022/23 Costs**
Direct Maintenance Costs	$50,959.11
Other Costs	18,856.48
Estimated Expenditures	$69,815.59
Fiscal Year 2022/23 Net Amount to be Assessed	**$69,815.59**
Total Equivalent Dwelling Units (EDUs)	1,417.00
Total Parcels	1,417
Total Cost Per EDU	$49.27
Maximum Rate per EDU	$49.27

Drainage Benefit Assessment District No. 2006-02 Budget	
Description	**Proposed FY 2022/23 Costs**
Direct Maintenance Costs	$50,545.69
Other Costs	18,694.98
Estimated Expenditures	$69,240.67
Fiscal Year 2022/23 Net Amount to be Assessed	**$69,240.67**
Total Equivalent Dwelling Units (EDUs)	6,841.99
Total Parcels	44
Total Cost Per EDU	$10.12
Maximum Rate per EDU	$52.16

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 2022/23 assessment is 7.40%, based on the increase of the February 2021 to February 2022 CPI of 7.40%.

5.6 Fiscal Year 2022/23 Maximum Assessment

The maximum authorized assessment rate for Fiscal Year 2022/23 is increased by 7.40% which equates to $49.27 per EDU for DBAD No. 1 and $52.16 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 2022/23 at the rate of $49.27 per EDU for DBAD No. 1, which is equal to the maximum authorized assessment rate, and $10.12 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.

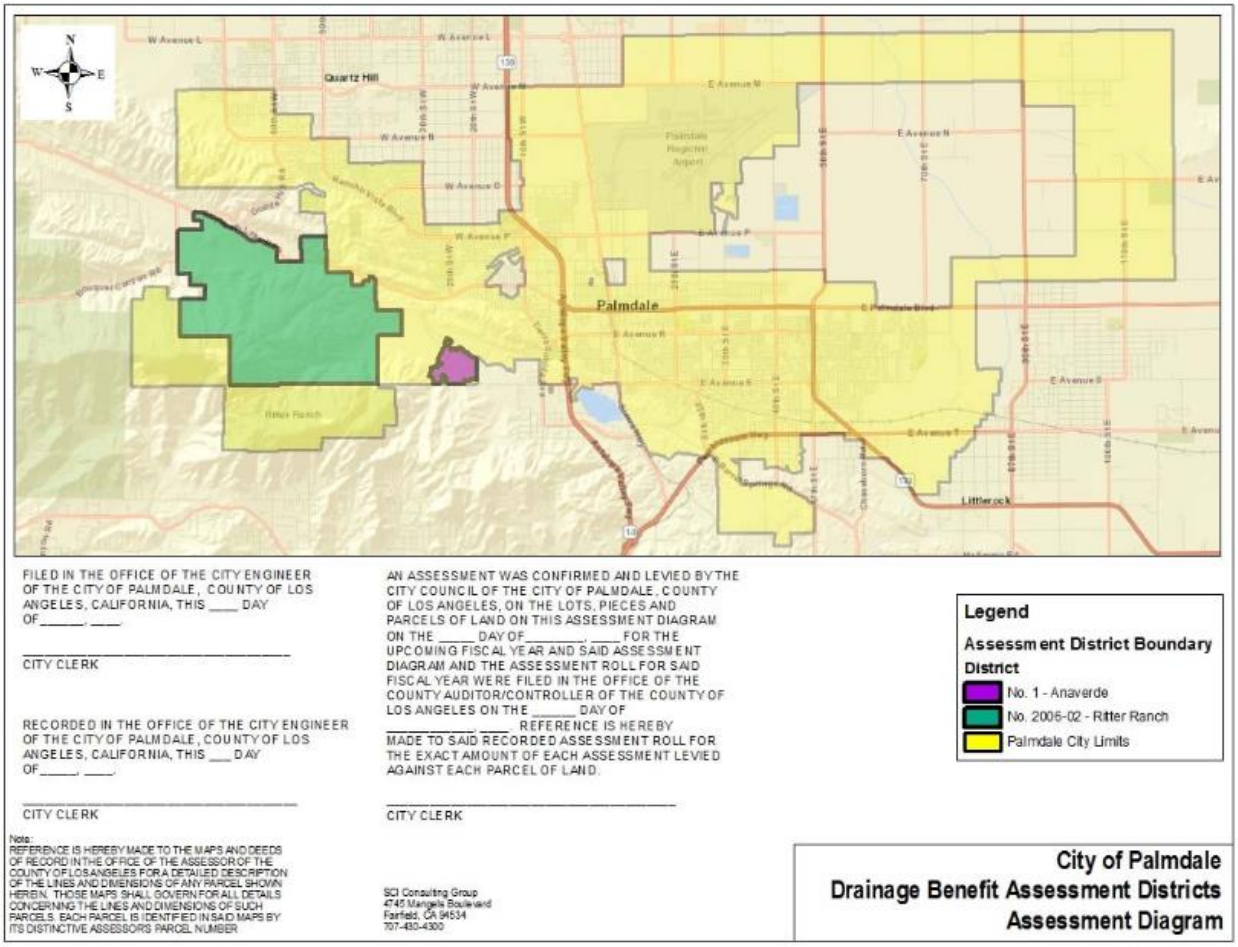
5.8 Appeals and Public Hearing

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

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

A listing of assessor's parcels subject to the assessments for Fiscal Year 2022/23, along with the assessment amounts, is on file in the office of the City Clerk and incorporated herein by reference. Based on County Assessor's secured roll data, current assessor's parcels, including corrected and/or new assessor's parcels, will be submitted and/or resubmitted to the County Auditor/Controller. The annual assessment amount to be levied and collected for the resubmitted parcel(s) shall be determined in accordance with the method of apportionment and assessment rate approved in this report. Therefore, if a single assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the charge amounts applied to each of the new assessor's parcels shall be recalculated and applied according to the approved method outlined in the method of apportionment and assessment rate rather than a proportionate share of the original assessment amount.

The following table summarizes the Fiscal Year 2022/23 assessments for the Districts.

District	Parcels	EDUs per District	FY 2022/23 Maximum Assessment Rate Per EDU	FY 2022/23 Assessment Rate Per EDU	FY 2022/23 Assessment Amount
DBAD No. 1	1,417	1,417.00	$49.27	$49.27	$69,815.59
DBAD No. 2006-02	44	6,841.99	52.16	10.12	69,240.67
Totals:	**1,461**	**8,258.99**			**$139,056.26**

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS**
ENGINEERING DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2022-040, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE OF INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2022/2023, PRELIMINARILY APPROVING THE ANNUAL ENGINEER'S REPORTS AND PROVIDING FOR NOTICE OF HEARING FOR THE CITY OF PALMDALE LANDSCAPE MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS, PARK MAINTENANCE AND RECREATION IMPROVEMENT DISTRICT, AND STREETLIGHT MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS**

ISSUE

Adopt Resolution No. CC 2022-040, a Resolution of the City Council of the City of Palmdale of intention to continue assessments for Fiscal Year 2022/2023, preliminarily approving the annual Engineer's Reports and providing for notice of hearing for the City of Palmdale Landscape Maintenance Assessment Districts and Annexations, Park Maintenance and Recreation Improvement District, and Streetlight Maintenance Assessment Districts and Annexations.

RECOMMENDATION

Staff recommends that the City Council adopt Resolution No. CC 2022-040 providing intention to continue assessments, to preliminarily approve the annual Engineer's Reports, and to provide notice of the annual public hearing for the City of Palmdale Landscape Maintenance Assessment Districts and Annexations, Park Maintenance and Recreation Improvement District, and Streetlight Maintenance Assessment Districts and Annexations.

BACKGROUND

The City of Palmdale Landscape Maintenance Assessment Districts and Annexations, Park Maintenance and Recreation Improvement District, and Streetlight Maintenance Assessment Districts and Annexations (all combined and referred to as the "Districts"), were approved by property owners pursuant to 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.

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

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

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

DISCUSSION

On May 4, 2022, the City Council took the first step to continue assessing the levies for Fiscal Year 2022/2023 by adopting Resolution No. CC 2022-038, which directed NBS, the Engineer of Work, to prepare the annual Engineer's Reports for the Districts for Fiscal Year 2022/2023.

This Resolution No. CC 2022-040 is the second step which provides intention to continue the assessments for Fiscal Year 2022/2023, preliminarily approves the annual Engineer's Reports prepared by NBS, and establishes the date, time, and place of a public hearing to receive testimony regarding the continued assessments to be placed on LA County tax rolls.

The third and final step will be the public hearing regarding the final approval of the annual Engineer's Reports and the ordering of the levies for Fiscal Year 2022/2023 that will be held by the City Council on July 13, 2022.

The annual Engineer's Reports contain information required by the Landscaping and Lighting Act of 1972 and Article XIIIC and XIIID of the California Constitution (Proposition 218) determining the special benefit to property owners within each district, identifying the methodology for assigning assessments to each parcel, and estimating the cost for improvements. The annual Engineer's Reports establish the important foundation and justification for the continued collection of the assessments for Fiscal Year 2022/2023.

FISCAL IMPACT

The annual Engineer's Reports indicates the proposed assessments for the Districts and is included as attachments.

The Fiscal Year 2022/23 annual assessment inflator for the Landscape Maintenance Assessment Districts and Annexations, may be based on February or March CPI, depending on the approved methodology when each district/annexation was formed. For the districts/annexations that are increased based on the February CPI, the maximum assessment rates are increased by 7.40%. For the districts//annexations that are increased based on the March CPI, the maximum assessment rates are increased by 8.50%. The total proposed assessment for all districts combined is $6,898,051.

For the Park Maintenance and Recreation Improvement District the Fiscal Year 2022/23 assessment inflator is 3% and the total proposed assessment for the district is $2,939,516.56.

For Streetlight Maintenance Assessment Districts and Annexations, on the Fiscal Year 2022/23 assessment inflator is 7.40% and the total proposed assessment for all districts is $4,468,681.54.

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:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Resolution No. CC 2022-040
2. Fiscal Year 2022/23 Combined Engineer's Report For: Landscape Maintenance Assessment Districts and Annexations
3. Fiscal Year 2022/23 Engineer's Report For: Park Maintenance and Recreation Improvement District
4. Fiscal Year 2022/23 Engineer's Report For: Streetlight Maintenance Assessment Districts and Annexations

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2022-040

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE OF INTENTION TO CONTINUE ASSESSMENTS FOR FISCAL YEAR 2022/2023, PRELIMINARILY APPROVING THE ANNUAL ENGINEER'S REPORTS AND PROVIDING FOR NOTICE OF HEARING FOR THE CITY OF PALMDALE LANDSCAPE MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS, PARK MAINTENANCE AND RECREATION IMPROVEMENT DISTRICT, AND STREETLIGHT MAINTENANCE ASSESSMENT DISTRICTS AND ANNEXATIONS

WHEREAS, the City of Palmdale Landscape Maintenance Assessment Districts and Annexations (the "Landscape Assessment Districts"), Park Maintenance and Recreation Improvement District (the "Park District"), and Streetlight Maintenance Assessment Districts and Annexations (the "Streetlight Assessment Districts", or all together, the Landscape Assessment Districts, Park District, and Streetlight Assessment Districts may be referred to as the "Districts") were approved by property owners pursuant to 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 the Engineer's Reports in accordance with the Act and Article XIIID of the California Constitution; and

WHEREAS, the Engineer of Work has filed the Engineer's Reports (the "Reports") with the City Clerk, copies of which have been submitted to this City Council, which Reports contain the information required by the Act, including: (a) a calculation of the portion of the services to be provided by the Districts that constitute a special benefit to the parcels in the Districts; (b) a methodology for assigning assessments to individual parcels; (c) a listing of each lot or parcel of property that would be subject to the proposed assessment, including public parcels; (d) the estimate of cost for the improvements; and (e) the amount of the proposed assessment for each lot or parcel for the Fiscal Year 2022/2023.

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 2022/2023.

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

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

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

Within the Streetlight Assessment Districts, the existing and proposed improvements to be undertaken may be briefly described as follows: the installation, maintenance, and servicing of any authorized improvements under the Act, including, but not limited to streetlight, traffic signal, and highway safety light improvements, and any facilities which are appurtenant to any of the aforementioned or which are necessary or convenient for 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 Director of Public Works, are incorporated herein by reference, and are open to public inspection.

The designation of the Landscape Assessment Districts is as follows:

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

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

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

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

District Nos. 2001-236, 237, 238;

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

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

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

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

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

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

District Nos. 2014-321 and 322;

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

The designation of the Streetlight Assessment Districts is as follows:

District No. 1, located throughout the City includes Annexation Nos. 001; 003 through 007; 009; 011; 013 through 080; 082 through 092; 095 through 097; 099 through 111; 113 through 117; 119 through 132; 134 through 137; 139 through 141, 144 through 152, 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 annexation, 900.

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

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

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

SECTION 7. The assessments for the Landscape Assessment Districts are subject to an annual adjustment tied to the annual change in the Consumer Price Index for the Los Angeles Area as of February or March of each succeeding year ("CPI"). The change in the CPI from February 2021 to February 2022 was 7.40%. The change in the CPI from March 2021 to March 2022 was 8.50%. Therefore, for Fiscal Year 2022/2023, the maximum authorized assessment rates which are based on the February CPI are the previous year maximum authorized assessment rate for each District increased by 7.40% and the maximum authorized assessment rates which are based on the February CPI, are the previous year maximum authorized assessment rate for each District increased by 8.50%. The amount of the assessment proposed does not exceed the authorized amount.

The assessment for the Park District is subject to an annual adjustment tied to the annual change in the 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 2021 to January 2022 was 7.51%. Therefore, the maximum authorized assessment rate for Fiscal Year 2022/2023 is increased by 3%. The amount of the assessment proposed does not exceed the authorized amount.

The assessments for the Streetlight Assessment Districts are subject to an annual adjustment tied to the annual change in the Consumer Price Index for the Los Angeles Area as of February of each succeeding year ("CPI"). The change in the CPI from February 2021 to February 2022 was 7.40%, therefore, for Fiscal Year 2022/2023, the maximum authorized assessment rates are the previous year maximum authorized assessment rate for each District increased by 7.40%. 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, 2022 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, 2022.

	_____
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, 2022 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____ _____
Shanae S. Smith, City Clerk

CITY OF PALMDALE

Fiscal Year 2022/23 Combined Engineer's Report For:

Landscape Maintenance Assessment Districts and Annexations

May 2022

Prepared by:

NBS
helping communities fund tomorrow

nbsgov.com

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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 2022/23 Maximum Assessment Rates 16

5.6 Duration of Assessment 16

5.7 Appeals and Interpretation 16

6. Assessment Diagram 17

7. Landscape Maintenance Districts Area Maintained 18

8. Assessment Roll 23

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 2022/23, 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 2022/23, 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 2022/23 Assessment Amount
Landscape Maintenance Assessment Districts and Annexations(2)	29,309	34,199.35	$6,898,051.11

(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 2022/23 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 251 Landscape Maintenance Assessment Districts and Annexations with approximately 29,000 parcels. The Assessment Districts have been formed and the assessment levies have been made pursuant to Part 2 of Division 15 of the California Streets and Highways Code, commonly known as the Landscape and Lighting Act of 1972, and Article XIII D of the California Constitution (the "Article XIII D").

2.2 Assessment District Inventory

Currently there are 251 existing Assessment Districts covering approximately 29,000 parcels. The City currently maintains landscape for only 232 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 251 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 251 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 251 existing Assessment Districts. New or pending Assessment Districts that will be approved after May 2022 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;

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

Assessment District Nos. 2020-290 and 2020-324. These districts were recently formed. The details of the assessments are provided separate from this Engineer's Report. Refer to the annexation Engineer's Report approved on January 12, 2022 and the amended on May 4, 2022 for Assessment District No. 2020-290. Refer to the annexation Engineer's Report approved on November 3, 2021 for Assessment District No. 2020-324.

2.3 District Changes

The following information highlights certain Assessment Districts that have had modifications from their original formation or require individual budgetary attention.[2]

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

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

[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.*

assessments only include administrative costs to provide compliance monitoring for maintenance standards and quality.

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

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

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

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

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

In Fiscal Year 2021/22 the City did not assess Assessment District Nos. 2006-173, 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 2022/23, these Assessment Districts will receive a credit towards their assessment resulting in a zero assessment.

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

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 2022/23 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 2022/23	
Description	**Proposed FY 2022/23 Costs**
Direct Maintenance Costs	$4,138,831
Utility Costs	1,724,512
Other Costs	1,034,708
Estimated Expenditures	**$6,898,051**
Fiscal Year 2022/23 Net Amount to be Assessed	**$6,898,051**

A list of the Assessment Districts containing the Fiscal Year 2022/23 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 (with the exception of Assessment District Nos. 2020-290 and 2020-324).

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

For all other Assessment Districts, previous annual Engineer's Reports were prepared by a different engineer of record and specific language from the prior year's Engineer's Report [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*

[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.*

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

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

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

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

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

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

5.2 Quantification of General Benefit

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

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

STEP 1 – CALCULATION OF GENERAL BENEFIT

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

Calculation of General Benefit(1)

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

(1) Per the Prior Engineer's Report.

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

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

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

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

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

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

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

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

5.3 Method of Assessment

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

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

5.4 Cost of Living Inflator

Annually, the maximum assessment rates for the Assessments Districts may be increased, based upon the Consumer Price Index, All Urban Consumers, for Los Angeles-Long Beach-Anaheim Area ("CPI"), as

determined by the United States Department of Labor, Bureau of Labor Statistics, or its successor[13]. Annually, the Assessment Engineer shall compute the percentage difference between the CPI for the most recent February or March and the CPI for the previous February or March and shall then adjust the current fiscal year maximum assessment rate by an amount not to exceed such CPI percentage change for the following fiscal year. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the Assessment Engineer shall use the revised index or a comparable system as approved by the City Council for determining fluctuations in the cost of living.[14]

For Fiscal Year 2022/23, the Assessment Districts which are increased based on the increase of the February 2021 to February 2022 CPI, for All Urban Consumers in the Los Angeles-Long Beach- Anaheim Area, the maximum assessment rates are increased by 7.40%. The Assessment Districts which are increased based on the increase of the March 2021 to March 2022 CPI, for All Urban Consumers in the Los Angeles-Long Beach- Anaheim Area, the maximum assessment rates are increased by 8.50%.

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

[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.*

[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.*

Assessment District	CPI Month	Assessment District	CPI Month	Assessment District	CPI Month	Assessment District	CPI Month	Assessment District	CPI Month
1	March	58	March	119	March	190	March	261	February
2	March	59	March	120	March	191	March	262	February
5	March	60	March	121	March	192	March	263	February
6	March	61	March	122	March	193	March	264	February
7	March	62	March	123	March	195	March	265	February
9	March	63	March	125	March	197	February	266	February
10	March	64	March	126	March	199	March	267	February
11	March	65	March	127	March	201	March	268	February
12	March	66	March	128	March	202	March	271	February
13	March	67	March	129	March	203	March	272	February
14	March	68	March	131	March	204	March	272-01	February
15	March	69	March	133	March	206	March	272-02	February
16	March	70	March	135	March	207	March	273	February
17	March	72	March	136	March	212	March	274	February
19	March	73	March	137	March	213	March	275	February
20	March	75	March	138	March	214	March	276	February
21	March	76	March	139	March	216	March	278	February
22	March	77	March	140	March	217	February	279	February
23	March	78	March	141	February	219	February	281	February
24	March	80	March	143	March	220	March	282	February
24-1	March	82	March	144	March	221	February	283	February
24-2	March	83	March	145	March	222	March	286	February
24-3	March	84	March	146	March	224	March	287	February
24-4	March	85	March	148	March	233	March	289	February
24-5	March	86	March	150	March	234	March	290	February
24-6	March	87	March	151	March	235	February	292	February
25	March	88	March	152	March	236	February	292-01	February
26	March	89	March	153	March	237	February	293	February
28	March	92	March	154	March	238	February	294	February
29	March	93	March	156	March	239	February	295	February
30	March	94	March	157	March	240	March	296	February
31	March	96	March	159	February	241	February	298	February
32	March	97	March	160	March	242	February	299	February
33	March	98	March	163	March	243	March	301	February
35	March	99	March	165	March	244	February	304	February
36	March	100	March	167	March	245	February	314	February
37	March	102	March	168	March	246	February	315	February
39	March	103	March	171	March	247	February	322	February
40	March	105	March	175	March	248	February	324	February
41	March	106	March	176	March	251	February		
42	March	107	March	177	March	252	February		
43	March	109	March	178	March	253	February		
44	March	110	March	179	March	254	February		
46	March	111	March	180	February	255	February		
48	March	112	March	182	March	256	February		
49	March	113	March	183	March	256-01	February		
51	March	114	March	184	February	257	February		
52	March	115	March	188	March	259	February		
56	March	116	March	189	March	260	February		

5.5 Fiscal Year 2022/23 Maximum Assessment Rates

The Fiscal Year 2022/23 maximum assessment rates for the Assessment Districts are included in Section 8 of this Engineer's Report.

5.6 Duration of Assessment

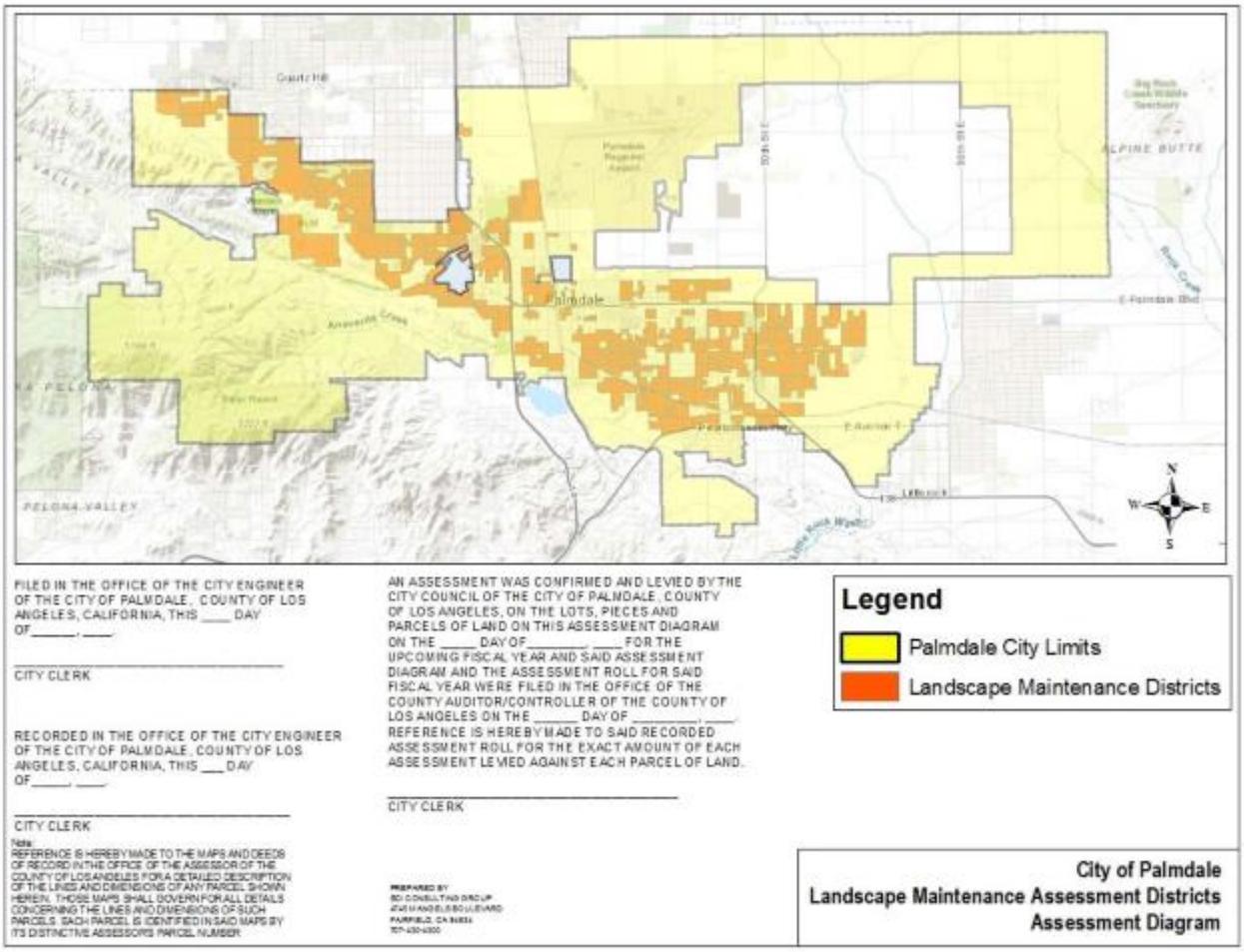
The Assessment Districts were formed or annexed in previous years. It is proposed that the assessments be continued every year after their formation or annexation, so long as the public improvements need to be maintained and improved, and the City requires funding for the improvements in each Assessment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

5.7 Appeals and Interpretation

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

6. ASSESSMENT DIAGRAM

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



7. LANDSCAPE MAINTENANCE DISTRICTS AREA MAINTAINED

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

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

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	22/23	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
324	22/23	73740	Res	SE corner Taintor Road & Division St	7,868	0	7,868
900	04/05	54438, 53888	Res/Comm	Ave S and Bridge Road	614,466	0	614,466
901	06/07	Ritter Ranch	Res	Elizabeth Lake Road	2,560,000	0	2,560,000
Totals:					**11,587,100**	**4,826,152**	**16,413,252**

(1) The City is not currently maintaining landscaping improvements of Assessment District Nos. 173, 277, 288, 900 and 901.

8. ASSESSMENT ROLL

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

A listing of assessor's parcels subject to the assessments for Fiscal Year 2022/23, along with the assessment amounts, is on file in the office of the City Engineer and incorporated herein by reference. Based on County Assessor's secured roll data, current assessor's parcels, including corrected and/or new assessor's parcels, will be submitted and/or resubmitted to the County Auditor/Controller. The annual assessment amount to be levied and collected for the resubmitted parcel(s) shall be determined in accordance with the method of apportionment and assessment rate approved in this report. Therefore, if a single assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the charge amounts applied to each of the new assessor's parcels shall be recalculated and applied according to the approved method outlined in the method of apportionment and assessment rate rather than a proportionate share of the original assessment amount.

The following table summarizes the Fiscal Year 2022/23 assessment for the Assessment Districts.

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Fiscal Year 2022/23 Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2022/23 Assessment Amount	FY 2022/23 Proposed Assessment Rate Per EDU	FY 2022/23 Maximum Assessment Rate Per EDU (2)
1	75	75.00	$2,158.50	$28.79	$28.79
2	223	223.00	28,671.11	128.57	128.57
5	110	110.00	36,785.10	334.41	334.41
6	19	19.00	4,033.89	212.32	212.32
7	167	167.00	21,845.27	130.81	130.81
9	289	289.00	39,165.28	135.52	135.52
10	176	176.00	7,428.96	42.22	42.22
11	208	208.00	98,232.16	472.28	472.28
12	205	205.00	70,114.10	342.02	342.02
13	130	130.00	2,992.60	23.02	23.02
14	67	67.00	3,470.60	51.81	51.81
15	60	60.00	18,012.60	300.21	300.21
16	45	45.00	21,974.40	488.32	488.32
17	92	92.00	15,689.68	170.55	170.55
19	44	44.00	16,600.32	377.29	377.29
20	136	136.00	26,296.96	193.37	193.37
21	40	40.00	11,932.40	298.32	298.32
22	78	78.00	44,758.74	573.84	573.84
23	142	142.00	23,708.32	166.96	166.96
24	884	884.00	203,594.04	230.32	230.32
24-1	165	165.00	36,799.95	223.04	223.04
24-2	95	95.00	21,187.85	223.04	223.04
24-3	100	100.00	39,378.00	393.79	393.79
24-4	19	19.00	4,334.09	228.11	228.11
24-5	170	170.00	18,691.50	109.95	109.95
24-6	238	238.00	29,928.50	125.75	125.75
25	43	43.00	5,216.33	121.32	121.32
26	87	87.00	9,516.06	109.38	109.38
28	78	78.00	6,505.98	83.41	83.41
29	71	71.00	8,174.94	115.14	115.14
30	36	36.00	11,833.56	328.72	328.72
31	86	86.00	8,085.72	94.03	94.03
32	107	107.00	24,748.03	231.29	231.29
33	167	167.00	34,612.42	207.26	207.26
35	14	14.00	1,035.16	73.95	73.95
36	61	61.00	6,672.18	109.38	109.38
37	47	47.00	3,839.90	81.70	81.70
39	45	45.00	5,770.35	128.24	128.24
40	127	127.00	44,400.47	349.62	349.62
41	299	299.00	38,977.64	130.36	130.36
42	39	39.00	12,745.59	326.82	326.82

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Fiscal Year 2022/23 Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2022/23 Assessment Amount	FY 2022/23 Proposed Assessment Rate Per EDU	FY 2022/23 Maximum Assessment Rate Per EDU (2)
43	172	172.00	30,328.76	176.33	176.33
44	143	143.00	31,085.34	217.38	217.38
46	45	45.00	13,735.80	305.25	305.25
48	39	39.00	2,469.48	63.32	63.32
49	55	55.00	7,493.75	136.26	136.26
51	59	59.00	6,711.84	113.77	113.77
52	127	127.00	27,266.90	214.70	214.70
56	178	178.00	5,749.40	32.30	32.30
58	41	41.00	4,275.48	104.28	104.28
59	179	179.00	15,800.33	88.28	88.28
60	83	81.00	15,969.96	197.17	197.17
61	178	178.00	43,191.70	242.65	242.65
62	16	16.00	8,689.60	543.11	543.11
63	240	240.00	42,765.60	178.19	178.19
64	120	120.00	7,138.80	59.49	59.49
65	320	320.00	36,403.20	113.77	113.77
66	327	327.00	50,204.31	153.53	153.53
67	173	173.00	10,165.48	58.76	58.76
68	100	100.00	22,420.00	224.21	224.21
69	89	89.00	8,197.79	92.12	92.12
70	137	137.00	21,036.35	153.56	153.56
72	219	219.00	39,437.52	180.09	180.09
73	160	160.00	23,334.40	145.85	145.85
75	111	111.00	29,673.63	267.33	267.33
76	86	84.00	8,220.24	97.87	97.87
77	40	40.00	11,324.40	283.11	283.11
78	174	174.00	38,694.12	222.39	222.39
80	6	101.43	15,950.84	157.26	157.26
82	19	19.00	4,901.05	257.95	257.95
83	25	25.00	1,991.00	79.64	79.64
84	69	69.00	18,803.19	272.51	272.51
85	581	581.00	114,549.96	197.17	197.17
86	86	86.00	6,032.04	70.14	70.14
87	318	318.00	46,408.92	145.94	145.94
88	72	72.00	19,926.72	276.77	276.77
89	406	406.00	46,941.72	115.63	115.63
92	40	40.00	8,968.00	224.21	224.21
93	21	21.00	1,773.03	84.44	84.44
94	78	78.00	14,220.18	182.32	182.32
96	88	88.00	4,671.92	53.10	53.10
97	46	46.00	4,511.22	98.08	98.08

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Fiscal Year 2022/23 Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2022/23 Assessment Amount	FY 2022/23 Proposed Assessment Rate Per EDU	FY 2022/23 Maximum Assessment Rate Per EDU (2)
98	225	225.00	23,890.50	106.19	106.19
99	164	164.00	15,543.92	94.78	94.78
100	234	233.00	5,363.66	23.02	23.02
102	169	169.00	10,378.29	61.41	61.41
103	229	229.00	18,709.30	81.70	81.70
105	260	260.00	17,461.60	67.16	67.16
106	14	14.00	6,973.68	498.12	498.12
107	32	32.00	8,229.12	257.16	257.16
109	109	109.00	7,661.61	70.30	70.30
110	121	121.00	9,861.50	81.50	81.50
111	77	77.00	14,743.19	191.47	191.47
112	103	103.00	11,742.00	114.00	114.00
113	83	83.00	8,175.50	98.51	98.51
114	42	42.00	8,838.48	210.44	210.44
115	159	159.00	12,147.60	76.41	76.41
116	33	33.00	4,116.09	124.73	124.73
119	80	80.00	35,489.60	443.62	443.62
120	154	154.00	25,399.22	164.94	164.94
121	50	48.00	12,466.08	259.72	259.72
122	178	178.00	50,276.10	282.45	282.45
123	192	192.00	9,100.80	47.40	47.40
125	113	113.00	10,069.43	89.12	89.12
126	107	107.00	20,487.29	191.47	191.47
127	117	117.00	6,874.92	58.76	58.76
128	413	413.00	110,675.74	267.98	267.98
129	255	255.00	92,335.50	362.10	362.10
131	80	80.00	13,495.20	168.70	168.70
133	285	285.00	39,446.85	138.42	138.42
135	58	58.00	3,408.08	58.76	58.76
136	84	84.00	10,386.60	123.66	123.66
137	207	207.00	23,991.30	115.90	115.90
138	93	93.00	11,925.39	128.24	128.24
139	161	161.00	41,510.63	257.84	257.84
140	121	121.00	8,422.81	69.61	69.61
141	159	159.00	63,221.58	397.62	397.62
143	81	81.00	8,599.77	106.18	106.18
144	90	90.00	8,701.20	96.69	96.69
145	402	402.00	61,698.96	153.49	153.49
146	64	64.00	28,634.24	447.41	447.41
148	115	115.00	3,530.50	30.71	30.71
150	34	33.00	11,101.53	336.41	336.41

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Fiscal Year 2022/23 Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2022/23 Assessment Amount	FY 2022/23 Proposed Assessment Rate Per EDU	FY 2022/23 Maximum Assessment Rate Per EDU (2)
151	91	91.00	10,696.14	117.55	117.55
152	39	115.71	111,582.61	964.33	964.33
153	100	100.00	21,611.00	216.12	216.12
154	38	25.18	28,632.45	1,137.30	1,137.30
156	81	81.00	11,516.58	142.18	142.18
157	16	16.00	2,947.68	184.24	184.24
159	46	46.00	21,053.28	457.68	457.68
160	112	112.00	26,966.24	240.78	240.78
163	75	75.00	21,897.00	291.96	291.96
165	85	85.00	6,769.40	79.64	79.64
167	21	21.00	677.04	32.24	32.24
168	87	87.00	8,081.43	92.90	92.90
171	36	36.00	4,367.52	121.33	121.33
173	0	0.00	0.00	0.00	N/A
175	32	32.00	8,007.36	250.23	250.23
176	38	38.00	7,851.94	206.63	206.63
177	56	56.00	19,958.96	356.42	356.42
178	150	150.00	52,039.50	346.93	346.93
179	394	394.00	79,174.30	200.96	200.96
180	74	74.00	31,051.14	419.62	419.62
182	60	60.00	18,065.40	301.09	301.09
183	42	42.00	12,739.44	303.32	303.32
184	174	174.00	42,457.74	244.01	244.01
188	82	82.00	9,480.84	115.63	115.63
189	38	38.00	8,644.62	227.49	227.49
190	68	68.00	8,765.88	128.92	128.92
191	84	84.00	7,642.32	90.98	90.98
192	71	71.00	6,576.02	92.63	92.63
193	151	151.00	34,350.99	227.49	227.49
195	138	179.78	35,671.15	198.42	198.42
197	43	43.00	25,059.54	582.79	582.79
199	118	118.00	3,995.48	33.86	33.86
201	82	82.00	11,886.72	144.97	144.97
202	21	21.00	7,493.85	356.86	356.86
203	56	56.00	10,934.56	195.26	195.26
204	83	83.00	9,596.46	115.63	115.63
206	80	80.00	14,106.40	176.33	176.33
207	194	194.00	16,181.54	83.41	83.41
212	69	69.00	21,107.79	305.91	305.91
213	228	228.00	33,712.08	147.87	147.87
214	49	49.00	12,847.80	262.21	262.21

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Fiscal Year 2022/23 Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2022/23 Assessment Amount	FY 2022/23 Proposed Assessment Rate Per EDU	FY 2022/23 Maximum Assessment Rate Per EDU (2)
216	223	223.00	35,309.82	158.35	158.35
217	388	388.00	181,646.08	468.16	468.16
217-01	0	0.00	0.00	0.00	N/A
219	91	91.00	12,830.09	140.99	140.99
220	126	126.00	9,791.46	77.71	77.71
221	92	92.00	72,677.24	789.97	789.97
222	197	197.00	75,976.99	385.67	385.67
224	78	78.00	4,879.68	62.56	62.56
233	31	31.00	5,127.71	165.41	165.41
234	48	48.00	3,912.00	81.50	81.50
235	148	148.00	33,550.12	226.70	226.70
236	72	72.00	7,094.16	98.54	98.54
237	23	23.00	18,754.20	815.41	815.41
238	84	84.00	26,302.08	313.12	313.12
239	95	95.00	15,551.50	163.71	163.71
240	132	132.00	61,571.40	466.45	466.45
241	85	85.00	60,797.10	715.27	715.27
242	45	45.00	1,858.95	41.32	41.32
243	40	40.00	38,987.20	974.69	974.69
244	104	104.00	63,280.88	608.48	608.48
245	118	118.00	71,799.46	608.48	608.48
246	160	158.00	96,138.26	608.48	608.48
247	51	51.00	31,047.27	608.77	608.77
248	49	49.00	29,829.73	608.77	608.77
251	19	19.00	1,313.09	69.11	69.11
252	156	156.00	22,066.20	141.46	141.46
253	161	161.00	20,257.02	125.83	125.83
254	49	49.00	23,910.04	487.97	487.97
255	41	41.00	38,704.00	944.01	944.01
256	99	99.00	39,787.11	401.90	401.90
256-01	103	103.00	44,340.47	430.49	430.49
257	78	78.00	48,444.24	621.09	621.09
259	72	72.00	11,664.72	162.01	162.01
260	86	86.00	51,097.76	594.16	594.16
261	144	144.00	10,526.40	73.11	73.11
262	122	122.00	21,329.26	174.83	174.83
263	64	64.00	33,993.60	531.15	531.15
264	108	108.00	52,871.40	489.56	489.56
265	64	64.00	36,010.88	562.67	562.67
266	79	79.00	54,230.34	686.46	686.46
267	255	255.00	156,855.60	615.13	615.13

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Fiscal Year 2022/23 Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2022/23 Assessment Amount	FY 2022/23 Proposed Assessment Rate Per EDU	FY 2022/23 Maximum Assessment Rate Per EDU (2)
268	279	279.00	94,899.06	340.14	340.14
271	67	67.00	33,120.11	494.34	494.34
272	171	173.00	79,400.09	458.97	458.97
272-01	172	170.00	78,064.00	459.21	459.21
272-02	41	41.00	18,819.00	459.01	459.01
273	83	83.00	65,256.26	786.22	786.22
274	62	62.00	53,193.52	857.97	857.97
275	18	33.00	24,587.70	745.08	745.08
276	38	38.00	22,770.74	599.23	599.23
277	610	0.00	0.00	0.00	N/A
278	372	372.00	242,763.48	652.60	652.60
279	41	41.00	18,513.55	451.56	451.56
280	0	0.00	0.00	0.00	N/A
281	168	168.00	67,445.28	401.46	401.46
282	38	38.00	7,386.82	194.39	194.39
283	33	33.00	6,616.83	200.51	200.51
286	78	78.00	46,683.00	598.50	598.50
287	199	198.00	82,738.26	417.88	417.88
288	0	0.00	0.00	0.00	N/A
289	23	23.00	10,715.24	465.88	465.88
290	97	190.00	83,506.90	439.51	439.51
292	180	180.00	132,602.40	736.68	736.68
292-01	40	40.00	29,467.20	736.68	736.68
292-02	0	0.00	0.00	0.00	N/A
293	42	42.00	27,120.66	645.74	645.74
294	16	16.00	7,965.60	497.85	497.85
295	50	50.00	33,719.00	674.38	674.38
296	66	66.00	43,013.52	651.72	651.72
297	5	0.00	0.00	0.00	N/A
298	59	59.00	65,210.34	1,105.26	1,387.97
299	204	204.00	41,281.44	202.36	202.36
301	62	62.00	47,119.38	759.99	759.99
302	1	0.00	0.00	0.00	N/A
304	67	66.00	32,457.48	491.79	491.79
305	0	0.00	0.00	0.00	N/A
306	0	0.00	0.00	0.00	N/A
309	0	0.00	0.00	0.00	N/A
312	1	0.00	0.00	0.00	N/A
313	2	0.00	0.00	0.00	N/A
314	117	117.00	76,668.93	655.30	655.30
315	28	28.00	19,934.88	711.97	711.97

City of Palmdale
Landscape Maintenance Assessment Districts and Annexations
Fiscal Year 2022/23 Assessment Roll Summary

Assessment District	Parcel Count (1)	EDUs per Assessment District	FY 2022/23 Assessment Amount	FY 2022/23 Proposed Assessment Rate Per EDU	FY 2022/23 Maximum Assessment Rate Per EDU (2)
316	8	0.00	0.00	0.00	N/A
317	0	0.00	0.00	0.00	N/A
318	19	0.00	0.00	0.00	N/A
319	18	0.00	0.00	0.00	N/A
320	3	0.00	0.00	0.00	N/A
321	2	0.00	0.00	0.00	N/A
322	8	8.00	3,873.20	484.15	484.15
323	0	0.00	0.00	0.00	N/A
324	56	112.00	12,384.96	110.58	110.58
325	0	0.00	0.00	0.00	N/A
326	0	0.00	0.00	0.00	N/A
900	1,438	1,417.00	0.00	0.00	N/A
901	48	5,275.25	0.00	0.00	N/A
Totals	**29,309**	**34,199.35**	**$6,898,051.11**		

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

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

CITY OF PALMDALE

Fiscal Year 2022/23 Engineer's Report For:

Park Maintenance and Recreation Improvement District

May 2022

Prepared by:

NBS
helping communities fund tomorrow
nbsgov.com

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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 2022/23 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 2022/23, 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 2022/23, 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 2022/23 Proposed Assessment Amount	FY 2022/23 Proposed Assessment Rate Per SFE	FY 2022/23 Maximum Assessment Rate Per SFE
Zone A	42,666	48,388.01	$2,816,647.77	$58.21	$58.21
Zone B	360	132.59	3,856.61	29.10	29.10
Zone C	2,252	2,044.56	119,012.18	58.21	58.21
Totals:	**45,278**	**50,565.16**	**$2,939,516.56**		

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

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

_____
John G. Egan, P. E.
Assessment Engineer

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 2022/23 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 2022/23 Costs**
Beginning Fund Balance	$2,139,159.55
Installation, Maintenance & Servicing Costs (1)	
Maintenance & Operation of Vision Facilities	$2,435,900.00
Maintenance of Parks & Recreation Facilities (2)	4,068,500.00
Totals for Installation, Maintenance & Servicing	**$6,504,400.00**
Less: City Contribution (3)	**($2,601,760.00)**
Net Cost of Installation, Maintenance & Operation	**$3,902,640.00**
Incidental Costs	
Collection and Administration	$64,300.00
Totals for Incidentals	**$64,300.00**
Less: Fund Balance Contribution	**($1,027,423.44)**
Fiscal Year 2022/23 Net Amount to be Assessed (4)	**$2,939,516.56**
Estimated Ending Fund Balance	$1,111,736.11

Budget Allocation to Property (5)				
Zone of Benefit	**Parcels** (6)	**SFE Units** (7)	**FY 2022/23 Maximum Assessment Rate Per SFE**	**FY 2022/23 Amount to be Assessed**
Zone A	42,666	48,388.01	$58.21	$2,816,647.77
Zone B	360	132.59	29.10	3,856.61
Zone C	2,252	2,044.56	58.21	119,012.18
Totals:	**45,278**	**50,565.16**		**$2,939,516.56**

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 $6,504,400 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, $2,601,760 or 40% of the total for Installation, Maintenance and Servicing is for general benefits that cannot be assessed to property owners in the District. The additional amount contributed is the City’s contribution in excess of the estimated general benefits.

(4) Includes installment rounding for Los Angeles County tax roll purposes.

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

(6) Includes only parcels levied.

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

5. METHOD OF APPORTIONMENT

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

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[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 $6,504,400. Of this total budget amount, the City will contribute at least $2,601,760 (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

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[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 2021 to January 2022 was 7.506%, and there was 0.00% of the Unused CPI carried over (as described above). Therefore, the cost of living inflator for Fiscal Year 2022/23 is 3.00%.

5.9 Fiscal Year 2022/23 Maximum Assessment

The maximum authorized assessment rate for Fiscal Year 2022/23 is increased by 3.00% which equates to $58.21 per SFE for Zones A and C, and $29.10 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 2022/23 at the rate of $58.21 per SFE for Zones A and C and $29.10 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.

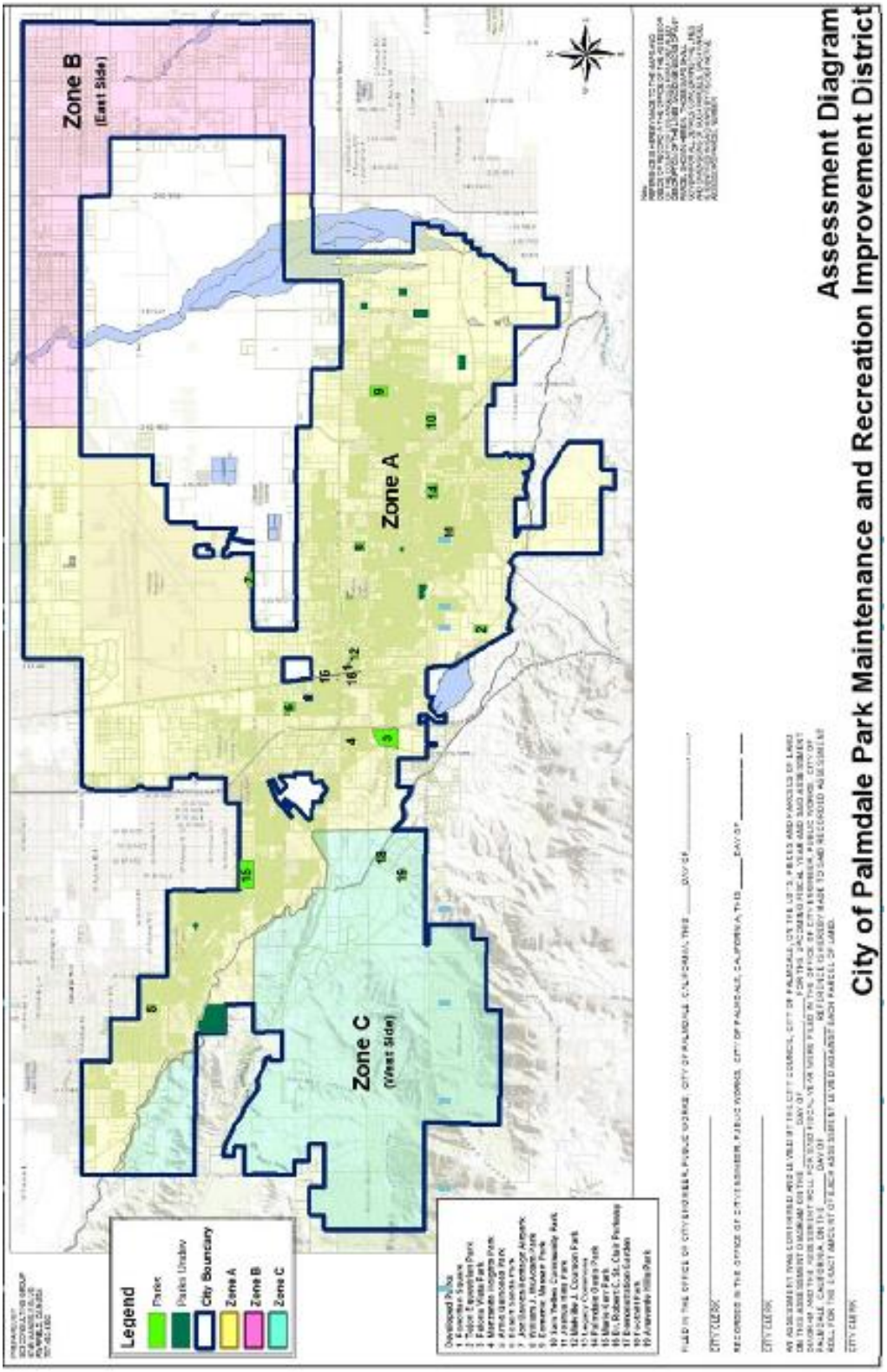
5.11 Appeals and Public Hearing

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.


Zone B
(East Side)
Zone A
Zone C
(West Side)
Legend
Parks
Parks Undev
City Boundary
Zone A
Zone B
Zone C
Assessment Diagram
City of Palmdale Park Maintenance and Recreation Improvement District

7. ASSESSMENT ROLL

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

A listing of assessor's parcels subject to the assessments for Fiscal Year 2022/23, along with the assessment amounts, is on file in the office of the City Engineer and incorporated herein by reference. Based on County Assessor's secured roll data, current assessor's parcels, including corrected and/or new assessor's parcels, will be submitted and/or resubmitted to the County Auditor/Controller. The annual assessment amount to be levied and collected for the resubmitted parcel(s) shall be determined in accordance with the method of apportionment and assessment rate approved in this report. Therefore, if a single assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the charge amounts applied to each of the new assessor's parcels shall be recalculated and applied according to the approved method outlined in the method of apportionment and assessment rate rather than a proportionate share of the original assessment amount.

The following table summarizes the Fiscal Year 2022/23 assessment for the District.

Zone of Benefit	Parcels (1)	SFE Units	FY 2022/23 Rate Per SFE	FY 2022/23 Assessment Amount
Zone A	42,666	48,388.01	$58.21	$2,816,647.77
Zone B	360	132.59	29.10	3,856.61
Zone C	2,252	2,044.56	58.21	119,012.18
Totals:	**45,278**	**50,565.16**		**$2,939,516.56**

(1) Includes only parcels levied.

CITY OF PALMDALE

Fiscal Year 2022/23 Engineer's Report For:

Streetlight Maintenance Assessment Districts and Annexations

May 2022

Prepared by:

NBS
helping communities fund tomorrow

nbsgov.com

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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 2022/23 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 2022/23, 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 2022/23, 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 2022/23 Assessment Amount(4)
District No. 1 and No. 4	6,588	9,902.706	$1,152,234.44
District No. 2	1,419	1,480.918	171,254.73
District No. 3	44	44.000	66,532.40
District No. 5	31,568	34,901.500	3,078,659.97
Totals:	**39,619**	**46,329.124**	**$4,468,681.54**

(1) Includes District and Annexations. District No. 1 and No. 4 are combined for County tax roll purposes.
(2) Includes only parcels levied.
(3) Equivalent Dwelling Unit.
(4) A list of the Districts and Annexations containing the total proposed Fiscal Year 2022/23 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 (which includes parcels that are active, but not yet subject to the assessment). 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 166 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 143 individual annexations encompassing approximately 6,760 parcels.

District No. 2 includes the Anaverde Master Planned Community. District No. 2 includes two annexations and approximately 1,460 parcels.

District No. 3 includes the Ritter Ranch Master Planned Community 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 80 parcels.

District No. 5 also consists of residential and non-residential developments located throughout the City. The designation of "District No. 5" was used for the first time in Fiscal Year 2014/15 to identify the approximately 32,900 parcels within the City that were previously covered under the Los Angeles County Lighting Maintenance District No. 1616 (CLMD 1616). LA County administered the streetlights assessments and managed the streetlights improvements up to Fiscal Year 2013/14. Starting Fiscal Year 2014/15 the City took over these functions from the County.

The designation of the existing Districts is as follows:

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

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 32,900 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, 116, 119, 124, 130, 131, 132, 145, 147, 148, 150 and 151 will not be assessed for Fiscal Year 2010/11 and future years.

Annexation Nos. 146, 149 and 152 were assessed for the first time in Fiscal Year 2009/10.

Annexation Nos. 154 and 155 were assessed for the first time in Fiscal Year 2010/11.

Annexation No. 156 was assessed for the first time in Fiscal Year 2011/12.

Annexation Nos. 801 was assessed for the first time in Fiscal Year 2012/13.

Annexation Nos. 161 and 163 were assessed for the first time in Fiscal Year 2013/14.

Annexation Nos. 162 and 166 were assessed for the first time in Fiscal Year 2014/15.

Annexation Nos. 159, 164, and 167 were assessed for the first time in Fiscal Year 2015/16.

Annexation Nos. 144, 173 and 175 were assessed for the first time in Fiscal Year 2019/20.

Annexation Nos. 180 and 184 were be assessed for the first time in Fiscal Year 2020/21.

Annexation Nos. 070, 072, 121, 128, 139, 157, 158, 160, 165, and 169 will not be assessed until development starts.

Annexation Nos. 168 and 193 were assessed for the first time in Fiscal Year 2021/22.

Annexation No. 091, 095, 111, 129, 186 will be assessed for the first time in Fiscal Year 2022/23.

Annexation 060 has been dissolved as of April 6, 2016. The homeowner's association will undertake the maintenance of all improvements and services beginning Fiscal Year 2016/17.

2.4 Process for Annual Assessment

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

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

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

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

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

2.5 Legislative Context

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

Article XIII D imposes four basic substantive requirements on assessments[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 2022/23 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 2022/23	
Description	**Proposed FY 2022/23 Costs**
Streetlight Maintenance District No. 1 and No. 4	
Direct Maintenance Costs	$288,058
Utility Costs	633,729
Other Costs	230,447
Total Estimated Expenditures	$1,152,234
Fiscal Year 2022/23 Amount to be Assessed	**$1,152,234**
Streetlight Maintenance District No. 2	
Direct Maintenance Costs	$42,813
Utility Costs	94,190
Other Costs	34,251
Total Estimated Expenditures	$171,255
Fiscal Year 2022/23 Amount to be Assessed	**$171,255**
Streetlight Maintenance District No. 3	
Direct Maintenance Costs	$16,633
Utility Costs	36,593
Other Costs	13,306
Total Estimated Expenditures	$66,532
Fiscal Year 2022/23Amount to be Assessed	**$66,532**
Streetlight Maintenance District No. 5	
Direct Maintenance Costs	$769,665
Utility Costs	1,693,263
Other Costs	615,732
Total Estimated Expenditures	$3,078,660
Fiscal Year 2022/23 Amount to be Assessed	**$3,078,660**
Total Fiscal Year 2022/23 Amount to be Assessed – All Districts	**$4,468,682**

A listing of the Districts containing the total Fiscal Year 2022/23 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]

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[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 consisting 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 2022/23, the maximum authorized assessment rates for the Districts are increased by 7.40%, based on the increase of the February 2021 to February 2022 CPI, for All Urban Consumers in the Los Angeles-Long Beach- Anaheim Area, of 7.40%.

5.7 Fiscal Year 2022/23 Maximum Assessment

The Fiscal Year 2022/23 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

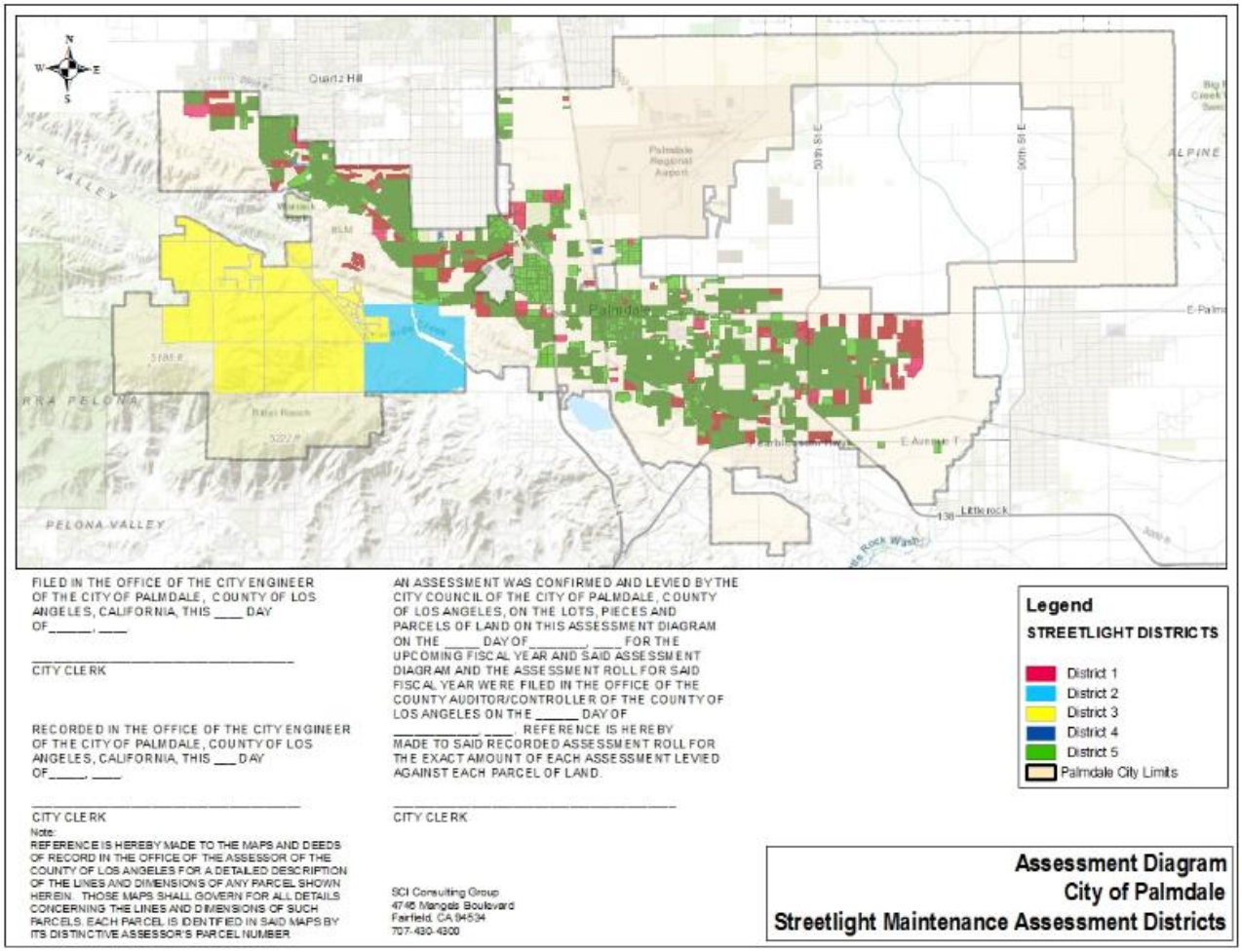
Any property owner who feels that the assessment levied on the subject property is in error, as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the City of Palmdale Public Works department. Any such appeal is limited to correction 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
2019-186	TR. 73740 Homes 4Famlies	Res	SEC of Division Street & Taintor Road	0.00	11	0	0
District No. 4							
2010-155	PM 070794/Gregg Anderson School	Comm/ Sch	Avenue N-8 / Rancho Vista Blvd	18.15	20	0	0
2010-156	18659/ AutoZone	Comm	North of Palmdale Blvd, South of Ave Q-7 & 31ST ST E	0.98	2	0	0
2012-157	7670-All Parts Auto Recycling	Comm	between 8th Street East & Sierra Hwy	18.49	6	0	0
2011-158	Vulcan Materials	Light Ind	along E Ave T, east of 70th St E	160.70	14	0	0
2013-159	David G.Millen Interm School	Comm/ Sch	N side of W Ave P-8, bw 23rd St W & 22nd St W	16.39	16	0	0
2012-160	1st United Methodist Church	Comm/ Chu	NE corner of Rancho Vista Blvd & 25th St W	11.56	10	0	0
2012-161	69008/ Palmdale TOD Apts	M-Fam	N of Ave Q bw 3rd St E & 6th St E	0.00	13	0	0
2012-162	Cruz Thru Carwash	Comm	39315 10th St W	1.32	1	0	0
2013-163	O'Reilly Automotive Stores	Comm	SE corner of E Palmdale Blvd & 12th St E	0.90	3	0	0
2013-164	AV Recycling	Light Ind	along Ave R-5 west of Tierra Subida	184.94	19	0	0
2013-165	66204-ALTA Community	Res	N side of AveR-8 bw 57th St E & Segovia Way	0.00	5	0	0
2013-166	Rancho Vista Market	Comm	3875 W. Rancho Vista Blvd.	9.31	10	0	0
2014-167	Family Dollar	Comm	3157 E Palmdale Blvd	0.97	1	0	0
2014-168	72222--Arco AM/PM	Comm	41155 10th St W	1.94	2	0	0
2015-169	68181	Res	north side of Ave S-4, bw Sylvam St & 45th St E	0.00	3	0	0
2015-170	APN 3008-037-063 (38461 10th St E)/ Congregation of Jehovah's Witnesses	Comm/ Chu	38461 10th St E	2.66	3	0	0
2016-172	APNs 3204-022-901,-903,-908,-909/ AVEK	Light Ind	6500 W Avenue N	21.48	2	0	0
2019-173	APN 3020-004-095/ Aerospace Academy	Comm	3300 East Palmdale Blvd	15.36	14	0	0
2017-174	APNs 3009-024-935,-936 / Courson Arts Colony	MFR	Ave Q-2, bw 9th St E and 10th St E	0.00	1	0	0
2017-175	APNs 3020-001-036 & -037/ Guidance Charter School	Comm	East Avenue R & 40th Street East	30.46	16	0	0
2017-178	portion of APN 3021-030-007/ Tractor Supply	Comm	3747 East Palmdale Blvd	3.83	7	0	0
2017-180	APN 3021-030-036	Comm	3851 E Palmdale Blvd NE corner of E Palmdale Blvd & 40th St	1.72	8	0	0
2019-184	Tract 73401 (APN 3015-011-035)	MFR	SE corner of E Ave Q, north of E Ave Q3, E of Orchird View Pla	0.00	13	0	0
2020-193	Edwards Federal Credit Union	Comm	39963 10th Street West	1.61	1	0	0

District No. 2							
2004-800	Anaverde	Res/ Comm	Avenue S	40.00	0	0	0
2012-801	61895-01	School/ Res	South of Avenue S and Greenbrier Street	10.54	10	0	0
District No. 3							
2006-900	Ritter Ranch	Res/ Comm	Elizabeth Lake Road	57.00	0	0	0
District No. 5							
91616	throughout the City	all types	throughout the City	951.51	14,299	0	0
Totals:				**2,168**	**18,592**	**4**	**36**

8. ASSESSMENT ROLL

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

A listing of assessor's parcels subject to the assessments for Fiscal Year 2022/23, along with the assessment amounts, is on file in the office of the City Engineer and incorporated herein by reference. Based on County Assessor's secured roll data, current assessor's parcels, including corrected and/or new assessor's parcels, will be submitted and/or resubmitted to the County Auditor/Controller. The annual assessment amount to be levied and collected for the resubmitted parcel(s) shall be determined in accordance with the method of apportionment and assessment rate approved in this report. Therefore, if a single assessor's parcel has a status change in development, other land use change, or subdivides into multiple assessor's parcels, the charge amounts applied to each of the new assessor's parcels shall be recalculated and applied according to the approved method outlined in the method of apportionment and assessment rate rather than a proportionate share of the original assessment amount.

The following pages summarize the Fiscal Year 2022/23 assessments for the Districts and Annexations.

City of Palmdale
Streetlight Maintenance Assessment Districts and Annexations
Fiscal Year 2022/23 Assessment Roll Summary

District / Annexation	Parcel Count [1]	2022/23 EDUs per District	2022/23 Assessment Amount	2022/23 Actual Assessment Rate per EDU	2022/23 Maximum Assessment Rate per EDU
1	10	146.280	$17,234.67	$117.82	$117.82
2	0	0.00	0.00	0.00	0.00
3	104	104.000	12,253.28	117.82	117.82
4	132	132.000	15,552.24	117.82	117.82
5	159	159.000	18,733.38	117.82	117.82
6	156	156.000	18,379.92	117.82	117.82
7	45	45.000	5,301.90	117.82	117.82
8	0	0.00	0.00	0.00	0.00
9	19	19.000	2,238.58	117.82	117.82
10	0	0.00	0.00	0.00	0.00
11	49	49.000	5,773.18	117.82	117.82
12	0	0.00	0.00	0.00	0.00
13	49	49.000	5,773.18	117.82	117.82
14	53	53.000	6,244.46	117.82	117.82
15	161	161.000	18,969.02	117.82	117.82
16	86	86.000	10,132.52	117.82	117.82
17	144	144.000	16,966.08	117.82	117.82
18	72	72.000	8,483.04	117.82	117.82
19	8	137.120	16,155.43	117.82	117.82
20	7	67.480	7,950.46	117.82	117.82
21	70	70.000	8,247.40	117.82	117.82
22	158	158.000	18,615.56	117.82	117.82
23	1	206.480	24,327.47	117.82	117.82
24	1	18.480	2,177.31	117.82	117.82
25	72	72.000	8,483.04	117.82	117.82
26	5	60.640	7,144.60	117.82	117.82
27	21	21.000	2,474.22	117.82	117.82
28	1	15.800	1,861.55	117.82	117.82
29	49	49.000	5,773.18	117.82	117.82
30	122	122.000	14,374.04	117.82	117.82
31	13	13.000	1,531.66	117.82	117.82
32	5	25.560	3,011.47	117.82	117.82
33	74	74.000	8,718.68	117.82	117.82
34	1	17.920	2,111.33	117.82	117.82
35	6	64.600	7,611.15	117.82	117.82
36	2	61.360	7,229.42	117.82	117.82
37	92	91.500	10,780.53	117.82	117.82
38	78	78.000	9,189.96	117.82	117.82
39	43	43.000	5,066.26	117.82	117.82
40	1	42.040	4,953.15	117.82	117.82
41	51	51.000	6,008.82	117.82	117.82
42	64	64.000	7,540.48	117.82	117.82
43	67	67.000	7,893.94	117.82	117.82
44	1	16.560	1,951.09	117.82	117.82
45	1	51.200	6,032.38	117.82	117.82

City of Palmdale
Streetlight Maintenance Assessment Districts and Annexations
Fiscal Year 2022/23 Assessment Roll Summary

District / Annexation	Parcel Count [1]	2022/23 EDUs per District	2022/23 Assessment Amount	2022/23 Actual Assessment Rate per EDU	2022/23 Maximum Assessment Rate per EDU
46	64	64.000	7,540.48	117.82	117.82
47	153	153.000	18,026.46	117.82	117.82
48	108	108.000	12,724.56	117.82	117.82
49	14	217.830	25,664.67	117.82	117.82
50	1	28.560	3,364.93	117.82	117.82
51	2	37.560	4,425.31	117.82	117.82
52	185	185.000	21,796.70	117.82	117.82
53	25	25.000	2,945.50	117.82	117.82
54	21	21.000	2,474.22	117.82	117.82
55	79	79.000	9,307.78	117.82	117.82
56	8	50.760	5,980.51	117.82	117.82
57	41	41.000	4,830.62	117.82	117.82
58	0	0.00	0.00	0.00	0.00
59	62	62.000	7,304.84	117.82	117.82
61	11	140.360	16,537.16	117.82	117.82
62	70	70.000	8,247.40	117.82	117.82
63	32	32.000	3,770.24	117.82	117.82
64	85	85.000	10,014.70	117.82	117.82
65	78	78.000	9,189.96	117.82	117.82
66	34	34.000	4,005.88	117.82	117.82
67	59	61.000	7,187.02	117.82	117.82
68	66	66.000	7,776.12	117.82	117.82
69	78	78.000	9,189.96	117.82	117.82
70	0	0.00	0.00	0.00	117.82
71	38	39.000	4,594.98	117.82	117.82
72	0	0.00	0.00	0.00	117.82
73	38	38.000	4,477.16	117.82	117.82
74	372	372.000	43,829.04	117.82	117.82
75	388	388.000	45,714.16	117.82	117.82
76	83	83.000	9,779.06	117.82	117.82
77	0	0.00	0.00	0.00	0.00
78	1	17.200	2,026.50	117.82	117.82
79	46	46.000	5,419.72	117.82	117.82
80	15	15.000	1,767.30	117.82	117.82
82	168	168.000	19,793.76	117.82	117.82
83	38	38.000	4,477.16	117.82	117.82
84	40	40.000	4,712.80	117.82	117.82
85	90	90.000	10,603.80	117.82	117.82
86	40	40.000	4,712.80	117.82	117.82
87	33	33.000	3,888.06	117.82	117.82
88	1	0.830	97.79	117.82	117.82
89	90	90.000	10,603.80	117.82	117.82
90	3	118.640	13,978.15	117.82	117.82
91	93	93.000	10,544.34	113.38	113.38
92	1	35.600	4,194.39	117.82	117.82

City of Palmdale
Streetlight Maintenance Assessment Districts and Annexations
Fiscal Year 2022/23 Assessment Roll Summary

District / Annexation	Parcel Count [1]	2022/23 EDUs per District	2022/23 Assessment Amount	2022/23 Actual Assessment Rate per EDU	2022/23 Maximum Assessment Rate per EDU
95	16	8.000	942.56	117.82	117.82
96	106	106.000	12,488.92	117.82	117.82
97	92	92.000	10,839.44	117.82	117.82
99	174	174.000	20,500.68	117.82	117.82
100	2	4.030	474.81	117.82	117.82
101	66	66.000	7,776.12	117.82	117.82
102	60	60.000	7,069.20	117.82	117.82
103	52	52.000	6,126.64	117.82	117.82
104	58	58.000	6,833.56	117.82	117.82
105	42	42.000	4,948.44	117.82	117.82
106	204	163.200	19,227.00	117.82	117.82
107	1	19.200	2,262.14	117.82	117.82
108	1	16.000	1,885.12	117.82	117.82
109	1	16.000	1,885.12	117.82	117.82
110	5	32.000	3,770.22	117.82	117.82
111	59	29.500	3,475.69	117.82	117.82
113	1	14.560	1,715.45	117.82	117.82
114	28	28.000	3,298.96	117.82	117.82
115	50	50.000	5,891.00	117.82	117.82
116	0	0.00	0.00	0.00	0.00
117	2	45.000	5,301.90	117.82	117.82
119	0	0.00	0.00	0.00	0.00
120	3	39.480	4,651.52	117.82	117.82
121	0	0.00	0.00	0.00	117.82
122	62	62.000	7,304.84	117.82	117.82
123	117	117.000	13,784.94	117.82	117.82
124	0	0.00	0.00	0.00	0.00
125	1	23.000	2,709.86	117.82	117.82
126	2	22.000	2,592.04	117.82	117.82
127	1	96.000	11,310.72	117.82	117.82
128	0	0.00	0.00	0.00	117.82
129	41	41.000	4,830.62	117.82	117.82
130	0	0.00	0.00	0.00	0.00
131	0	0.00	0.00	0.00	0.00
132	0	0.00	0.00	0.00	0.00
134	2	17.000	2,002.93	117.82	117.82
135	1	38.280	4,510.14	117.82	117.82
136	1	6.400	754.04	117.82	117.82
137	1	18.600	2,191.45	117.82	117.82
139	0	0.00	0.00	0.00	117.82
140	11	343.200	37,216.56	108.44	108.44
141	16	186.720	21,999.27	117.82	117.82
144	93	93.000	10,957.26	117.82	117.82
145	0	0.00	0.00	0.00	0.00
146	3	16.520	1,946.37	117.82	117.82

City of Palmdale
Streetlight Maintenance Assessment Districts and Annexations
Fiscal Year 2022/23 Assessment Roll Summary

District / Annexation	Parcel Count [1]	2022/23 EDUs per District	2022/23 Assessment Amount	2022/23 Actual Assessment Rate per EDU	2022/23 Maximum Assessment Rate per EDU
147	0	0.00	0.00	0.00	0.00
148	0	0.00	0.00	0.00	0.00
149	1	7.760	914.28	117.82	117.82
150	0	0.00	0.00	0.00	0.00
151	0	0.00	0.00	0.00	0.00
152	1	20.440	2,408.24	117.82	117.82
154	8	43.800	5,160.47	117.82	117.82
186	56	112.000	3,304.00	29.50	29.50
TOTAL SLMD #1	**6,548**	**8,976.050**	**$1,044,032.34**		
155	1	73.600	$8,671.55	$117.82	$117.82
156	1	3.920	451.66	115.22	115.22
157	0	0.00	0.00	0.00	112.88
158	0	0.00	0.00	0.00	117.20
159	2	72.280	8,471.21	117.20	117.20
160	0	0.00	0.00	0.00	117.82
161	3	171.100	19,729.52	115.31	115.31
162	1	5.280	622.14	117.83	117.83
163	1	3.760	443.04	117.83	117.83
164	2	186.700	21,881.23	117.20	117.20
165	0	0.00	0.00	0.00	117.20
166	4	37.280	4,369.20	117.20	117.20
167	1	3.880	457.18	117.83	117.83
168	1	5.916	693.35	117.20	117.20
169	0	0.00	0.00	0.00	117.73
170	1	6.960	820.09	117.83	117.83
172	4	21.080	2,483.83	117.83	117.83
173	1	61.440	7,240.08	117.84	117.84
174	2	76.550	9,019.88	117.83	117.83
175	2	121.820	14,006.85	114.98	114.98
178	1	14.720	1,734.45	117.83	117.83
180	1	6.880	810.73	117.84	117.84
184	10	47.050	5,544.37	117.84	117.84
193	1	6.440	751.74	116.73	116.73
TOTAL SLMD #4	**40**	**926.656**	**$108,202.10**		
800	1,417	1,417.000	$163,876.05	$115.65	$115.65
801	2	63.918	7,378.68	115.44	115.44
TOTAL SLMD #2	**1,419**	**1,480.918**	**$171,254.73**		
900	44	44.000	$66,532.40	$1,512.10	$1,512.10
TOTAL SLMD #3	**44**	**44.000**	**$66,532.40**		
91616	31,568	34,901.500	$3,078,659.97	$88.21	$88.21
TOTAL SLMD #5	**31,568**	**34,901.500**	**$3,078,659.97**		
TOTAL ALL SLMDs	**39,619**	**46,329.124**	**$4,468,681.54**		

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

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS**
ENGINEERING DIVISION

DISTRICT: **1**

SUBJECT: **ADOPT RESOLUTION NO. CC 2022-060, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE DECLARING ITS INTENTION TO ESTABLISH A COMMUNITY FACILITIES DISTRICT AND TO AUTHORIZE THE LEVY OF A SPECIAL TAX THEREIN FOR CITYWIDE MAINTENANCE AND SERVICES**

ISSUE

Adopt Resolution No. CC 2022-060, a Resolution of the City Council of the City of Palmdale declaring its intention to establish a community facilities district and to authorize the levy of a special tax therein for citywide maintenance and services.

RECOMMENDATION

Staff recommends that the City Council adopt Resolution No. CC 2022-060 declaring its intention to establish the City of Palmdale Community Facilities District No. 2022-1 (Citywide Maintenance and Services). This facilities district is located along 40th Street East between Avenue L-4 and L-8, APN 30170-015-007.

BACKGROUND

The Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311 and following) (the "Act") contains the statutory framework pursuant to which the City of Palmdale (the "City") or other local agencies may form a community facilities district ("CFD") for the purpose of financing the purchase, construction, expansion, improvement or rehabilitation of public facilities or the provision of certain authorized public services. A CFD may finance such public facilities or services through the levy of special taxes on property within the geographic boundaries of the CFD. The owner of the property to be initially included in the proposed CFD has filed a petition requesting the formation of the CFD.

The first step in the process of forming the City of Palmdale Community Facilities District No. 2022-1 (Citywide Maintenance and Services) (the "CFD 2022-1") is to adopt the Resolution of Intention (the "ROI").

The ROI includes a description of the services to be provided, a map of the boundary of CFD 2022-1, including a future annexation area, and the Rate and Method of

Apportionment of Special Taxes which details the manner in which special taxes may be levied on property to be included within CFD 2022-1.

A future annexation area allows future developments to annex to CFD 2022-1 by unanimous written consent of the property owner.

DISCUSSION

Resolution of Intention

This action relates to the ROI, which formally states the City's intent to form CFD 2022-1. The ROI does not actually form CFD 2022-1 or authorize the levy of the special taxes; rather, the ROI initiates the CFD 2022-1 formation proceedings. The ROI preliminarily approves the boundary map, including a future annexation area, for the proposed CFD 2022-1, which is attached hereto as Attachment B, and is on file with the City Clerk. The ROI includes the following information, as required by statute:

(a) declares the intention to establish CFD 2022-1;
(b) preliminarily adopts the boundary map, including a future annexation area, for CFD 2022-1;
(c) states that the full name of CFD 2022-1 shall be "City of Palmdale Community Facilities District No. 2022-1 (Citywide Maintenance and Services)."
(d) describes the services to be funded;
(e) states that, except where funds are otherwise available, a special tax sufficient to pay for all services, secured by recordation of a continuing lien against all nonexempt real property in the district, will be annually levied within the area, and specifies the rate and method of apportioning the special tax, subject to landowner voter approval;
(f) fixes a time and place for a public hearing on the establishment of the CFD, which is proposed to be July 6, 2022, at 7:00 pm;
(g) describes the proposed voting procedure; and
(h) describes possible future annexations to CFD 2022-1 by unanimous written consent of property owners in the future annexation area.

Rate and Method of Apportionment of Special Taxes

The ROI includes a description of the rate and method of apportioning the special tax. The City has been working with its special tax consultant to prepare a Rate and Method of Apportionment of Special Taxes (the "RMA") setting forth a methodology for CFD 2022-1's proposed special tax. The RMA is attached to the ROI as Exhibit "B" thereto.

Pursuant to the RMA, the proposed special tax is to be levied on all taxable, non-exempt property within the boundaries of CFD 2022-1. Specifically, the RMA includes proposed special taxes for various land use categories as follows:

MAXIMUM SPECIAL TAX RATES
FISCAL YEAR 2022/23*

Property Type	Maximum Special Tax Rate	Per
Industrial Property	$257.33	Acre
Accessory Dwelling Units	50% of the applicable Maximum Special Tax Rate for the property type of the primary Acreage.	Unit
Undeveloped Property	$200.00	Parcel

*On each July 1, commencing on July 1, 2023, the Maximum Special Tax Rate shall be increased by the Tax Escalation Factor as defined in the RMA.

The special taxes set forth in the table above are proposed to be levied only on property within the boundaries of CFD 2022-1. The RMA includes additional details on inflationary increases for special taxes, procedures for appeals, exemptions, and other relevant information.

Next Steps

Adopting the ROI is the first formal step in forming CFD 2022-1. This action only declares the intention to form CFD 2022-1, but additional steps will be required to form CFD 2022-1 and authorize the levy of the special taxes.

At the July 6, 2022 meeting, the City will hold a public hearing and provide an opportunity for public testimony on the formation of CFD 2022-1 and the designation of a future annexation area. Notice of the hearing must be published at least one week prior to the date of that hearing. At the hearing, if oral or written protests are filed by 50% or more of the registered voters within CFD 2022-1 or the owners of more than 50% of the property within the proposed CFD 2022-1, the City must terminate proceedings. If not, the City will adopt a resolution forming CFD 2022-1, and adopt a resolution calling a special election and the City will designate the Future Annexation Area where property owners will be permitted to join the CFD by unanimous written consent.

The election will then be held and canvassed, with the owner of the land to be initially included in CFD 2022-1 having one vote per acre or portion of an acre of land to be included. If two-thirds of the votes cast are in favor of imposing the special tax, the City Council will then be requested to adopt an ordinance levying the special tax and the City can then begin to levy the special tax annually on the County ad valorem property tax bills for the property included in CFD 2022-1.

FISCAL IMPACT

The initial Maximum Special Taxes expected to be collected by CFD 2022-1 for Fiscal Year 2022-23 is $19,248.06. The cost for the CFD formation is $30,000 and will be compensated from funds advanced by the proponents of developments annexing into CFD 2022-1 in the future. The City Council is being asked to approve an additional $30,000 from the unappropriated fund balances within the Landscape and Streetlight Maintenance Districts, not attributable to any existing assessment districts, to facilitate the costs of the initial formation.

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 P. E., Director of Public Works
Certified as to availability of Funds:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Resolution Declaring Intention to Establish Community Facilities District No. 2022-1
2. Boundary Map for Community Facilities District No. 2022-1

CITY OF PALMDALE
COUNTY OF LOS ANGELES, CALIFORNIA
RESOLUTION NO. CC 2022-060

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE DECLARING ITS INTENTION TO ESTABLISH A COMMUNITY FACILITIES DISTRICT AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES THEREIN – CITYWIDE MAINTENANCE AND SERVICES

WHEREAS, under the Mello-Roos Community Facilities Act of 1982, constituting Section 53311 et seq. of the California Government Code (the "Code"), the City Council may commence proceedings for the establishment of a community facilities district; and

WHEREAS, Copart Inc. (the "Company") has submitted to the City of Palmdale (the "City") a Petition (Including Waivers) (the "Petition") requesting that the City Council conduct proceedings under the Code to create a community facilities district to be designated "City of Palmdale Community Facilities District No. 2022-1 (Citywide Maintenance and Services)" (the "District"); and

WHEREAS, under the Code, the City Council is the legislative body for the proposed District and is empowered with the authority to establish the District and levy special taxes on property within the District; and

WHEREAS, the City Council now desires to proceed with the actions necessary to consider the formation of the District.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the City Council of the City of Palmdale as follows:

Section 1. The City Council proposes to begin the proceedings necessary to form the District pursuant to the Code. Receipt by the City of the Petition is hereby acknowledged.

Section 2. The name proposed for the District is "City of Palmdale Community Facilities District No. 2022-1 (Citywide Maintenance and Services)."

Section 3. The proposed boundaries of the District are as shown on the map of the District on file with the City Clerk, which boundaries are hereby preliminarily approved and to which map reference is hereby made for further particulars. The City Clerk is hereby directed to record, or cause to be recorded, the map of the boundaries of the District in the office of the Los Angeles County Recorder within fifteen days of the date of adoption of this Resolution.

Section 4. The types of maintenance and services proposed to be funded by the District (collectively referred to in this Resolution as the "Services") are as described in Exhibit A hereto, which Exhibit is by this reference incorporated herein.

The City Council hereby expresses its opinion that the public interest will not be served by allowing property owners to enter into contracts as contemplated by Section 53329.5(a) of the Code, and does not intend to let property owners avail themselves of the actions otherwise permitted by said Section 53329.5(a).

Section 5. Except to the extent that funds are otherwise available to the District to pay for the Services and the administrative expenses of the District, a special tax sufficient to pay such costs, secured by recordation of a continuing lien against all non-exempt real property in the District, will be levied annually on property located within the District and collected in the same manner as ordinary ad valorem property taxes or in such other manner as the City Council or its designee shall determine, including direct billing of the affected property owners. The proposed rate and method of apportionment of the special tax among the parcels of real property within the District, in sufficient detail to allow each landowner within the proposed District to estimate the maximum amount such owner will have to pay, is described in Exhibit B attached hereto which exhibit is by this reference incorporated herein.

The City Council hereby finds that the provisions of Section 53313.6, 53313.7 and 53313.9 of the Code, as incorporated by reference into the Code (relating to adjustments to ad valorem property taxes and schools financed by a community facilities district), are inapplicable to the District.

Section 6. The levy of said proposed special tax shall be subject to the approval of the qualified electors of the District at a special election. The proposed voting procedure shall be by mailed or hand-delivered ballot among the landowners in the proposed District, with each owner having one vote for each acre or portion of an acre such owner owns in the District.

Section 7. Except as may otherwise be provided by law or the rate and method of apportionment of special taxes for the District, all lands owned by any public entity, including the United States, the State of California and/or the City, or any departments or political subdivisions thereof, shall be omitted from the levy of the special tax to be made to cover the costs of the Services and costs of administering the District to the extent, and only to the extent, such land is described as not subject to the special tax levy in the rate and method of apportionment of special tax set forth in Exhibit B hereto.

Section 8. The Director of Public Works, as the officer of the City having responsibility for matters related to the Services, is hereby directed to study the proposed District and to make, or cause to be made, and file with the City Clerk a report in writing, presenting the following:

(a) A brief description of the Services.

(b) An estimate of the cost of providing the Services, including the incidental expenses in connection therewith, including any administration costs and all other related costs.

The report shall be made a part of the record of the public hearing provided for below.

Section 9. Wednesday, July 6, 2022, at 7:00 p.m. or as soon thereafter as the matter may be heard, in the regular meeting place of the City Council, Council Chambers, City Hall, 38300 Sierra Highway, Suite B, Palmdale, California, are hereby appointed and fixed as the time and place when and where the City Council, as legislative body for the District, will conduct a public hearing on the establishment of the District and consider and finally determine whether the public interest, convenience and necessity require the formation of the District and the levy of said special tax.

Section 10. The City Council hereby determines that public convenience and necessity require that territory be added to the District in the future, and that this Resolution shall constitute a resolution of intention to annex territory to the District pursuant to Sections 53339.2 and 53339.3 of the Code. The territory proposed for annexation to the District in the future is as indicated as such on the map of the District described in Section 3 above (the "Annexation Area"); provided that any specific parcel or parcels within such territory may be annexed to the District only with the unanimous approval of the owner or owners of each parcel or parcels to be annexed at the time that parcel or those parcels are so annexed. The types of maintenance and services to be eligible to be funded by the District and in the Annexation Area are the "Services" referenced in Section 4 above. The special taxes which will be levied in any particular portion of the Annexation Area will be determined at the time of annexation which may involve the addition of new Tax Zones (as contemplated by the rate and method of apportionment of special tax for the District), and there shall be no alteration in the special tax rate levied in the District prior to any annexation as a result of any proposed annexation except as may occur by operation of the rate and method of apportionment of special tax in Exhibit B solely as a result of additional territory being included within the District. The hearing regarding the proposed annexation described in this Section 10 and required by Section 53339.3(f) of the Code shall be combined with the hearing described in Section 9 above, and the notice described in Section 11 below shall constitute the notice required by Section 53339.4 of the Code.

Section 11. The City Clerk is hereby directed to cause notice of the public hearing to be given by publication one time in a newspaper published in the area of the District. The publication of the notice shall be completed at least seven days before the date herein set for the public hearing. The notice shall be substantially in the form of Exhibit C hereto.

Section 12. The firm of NBS Government Finance Group is hereby designated as Special Tax Consultant to the City for the District. The Interim City Manager is hereby

authorized and directed to execute a Consulting Agreement with said firm for its services in connection with the District, in the form on file with the Finance Director.

Section 13. The firm of Quint & Thimmig LLP is hereby designated as Special Formation Counsel to the City for the District. The Interim City Manager is hereby authorized and directed to execute an Agreement for Legal Services with said firm for its services in connection with the District, in the form on file with the City Attorney.

Section 14. This Resolution shall take effect upon its adoption.

PASSED, APPROVED and ADOPTED this 1st day of June, 2022 by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT: _____

_____
Steven D. Hofbauer,
Mayor

ATTEST:

_____
Shanae S. Smith,
City Clerk

Approved as to form:

_____
Christopher Beck,
City Attorney

16007.47:J18300
5/3/22

EXHIBIT A

DESCRIPTION OF MAINTENANCE AND SERVICES, AND OTHER COSTS, ELIGIBLE TO BE FINANCED BY THE DISTRICT

MAINTENANCE AND SERVICES:
The maintenance and services eligible to be funded, in whole or in part, by the community facilities district (the "DISTRICT") include all direct and incidental costs related to providing for the maintenance and lighting of parks, parkways, streets, roads and open space, as well as maintenance of landscaping, storm drains and appurtenances located within the City. More specifically, the services shall include, but not be limited to, the removal, repair, relocation, replacement or acquisition of light standards, poles, bulbs, fixtures and appurtenances, electrical energy, supplies, engineering and incidental costs relating to the maintenance and servicing of the street lighting and traffic signal improvements and highway safety lights, ongoing maintenance and servicing of trees and landscaping including, but not limited to, trees, shrubs, grass and other ornamental vegetation, drainage basins, drywells and appurtenant devices, including irrigation systems, watering, and other associated landscape maintenance, irrigation and vegetation control, repair and sealing, tree trimming and vegetation maintenance and control; the installation, maintenance and replacement of irrigation lines and water lines, lighting, fencing, security improvements and signage; trash removal and recycling and graffiti abatement and removal; and any other public services authorized to be funded under Section 53313(d) and (e) of the California Government Code. The DISTRICT may fund any of the following related to the services described above: obtaining, constructing, furnishing, operating and maintaining equipment, apparatus or facilities, paying the salaries and benefits of personnel (including but not limited to maintenance workers, patrol guards and other personnel), and for payment of other related expenses (including but not limited to employee benefit expenses and an allocation of general overhead expenses), payment of insurance costs and other related expenses and the provision of reserves for repairs and replacements and for the future provision of services and capital replacements.

Any services to be funded by the District must be in addition to those provided in the territory of the District before the District was created, and may not supplant services already available within that territory when the District is created. It is expected that the services will be provided by the City of Palmdale (the "City"), either with its own employees or by contract with third parties, or any combination thereof.

ADMINISTRATIVE EXPENSES:
The administrative expenses to be funded by the District include the direct and indirect expenses incurred by the City in carrying out its duties with respect to the District (including, but not limited to, the levy and collection of the special taxes) including the fees and expenses of attorneys, any fees of the City related to the District or the collection of special taxes, an allocable share of the salaries of any City staff directly related thereto and a proportionate amount of the City's general administrative overhead related thereto, any amounts paid by the City from its general fund with respect to the District or the services authorized to be financed by the District, and expenses incurred by the City in undertaking action to foreclose on properties for which the payment of special taxes is delinquent, and all other costs and expenses of the City in any way related to the District.

OTHER:
The incidental expenses that may be funded by the District include, in addition to the administrative expenses identified above, the payment or reimbursement to the City of all costs associated with the establishment of the District and any property annexed to the District.

EXHIBIT B

RATE AND METHOD OF APPORTIONMENT
FOR CITY OF PALMDALE
COMMUNITY FACILITIES DISTRICT NO. 2022-1
(CITYWIDE MAINTENANCE AND SERVICES)

A Special Tax, as hereinafter defined, shall be levied and collected in the City of Palmdale Community Facilities District No. 2022-1 (Citywide Maintenance and Services) ("CFD No. 2022-1") each Fiscal Year commencing in Fiscal Year 2022/23, in an amount determined by the application of the procedures below. All Taxable Property, as hereinafter defined, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meaning:

"Accessory Dwelling Unit" or "ADU" means a secondary residential unit of limited size, as defined in California Government Code Section 65852.2, as may be amended from time to time, that is accessory to a single-unit dwelling. The ADU of Developed Property may be on the same Assessor's Parcel as the single-unit dwelling or on a separate Assessor's Parcel. For purposes of clarification, where an ADU and primary Unit are on the same Assessor's Parcel, the ADU located on such Assessor's Parcel is considered a separate Unit from the primary Unit on such Assessor's Parcel for purposes of the Special Tax. Should an Assessor's Parcel contain only an ADU, such Assessor's Parcel will be taxed as an ADU only.

"Acre or Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map or in the Assessor's Data for each Assessor's Parcel. In the event that the Assessor's Parcel Map or Assessor's Data shows no acreage, the Acreage for any Assessor's Parcel may be determined by the CFD Administrator based upon the applicable condominium plan, final map, parcel map or calculated using available spatial data and GIS.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1, Division 2 of Title 5 of the Government Code of the State.

"Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of CFD No. 2022-1 including, but not limited to, the following: the costs of computing the Annual Special Tax Requirement and the annual Special Tax and of preparing the annual Special Tax collection schedules; the costs of collecting the Special Tax, including any charges levied by the County Auditor's Office, Tax Collector's Office or Treasurer's Office; the costs of the City or designee in complying with the disclosure requirements of the California Government Code (including the Act), including public inquiries regarding the Special Tax; the costs of the City or designee related to an appeal of the Special Tax; and the costs of commencing and pursuing to completion any action arising from any delinquent Special Tax in CFD No. 2022-1. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2022-1 for any other administrative purposes, including, but not limited to, attorney's fees.

"Annual Services Costs" means the amounts required to fund services authorized to be funded by CFD No. 2022-1.

“Annual Special Tax Requirement” means that amount with respect to CFD No. 2022-1 determined by the City Council or designee as required in any Fiscal Year to pay: (1) the Administrative Expenses, (2) the Annual Services Costs, (3) any amount required to establish or replenish any reserve or replacement fund established in connection with CFD No. 2022-1, and (4) any reasonably anticipated delinquent Special Tax based on the delinquency rate for any Special Tax levied in the previous Fiscal Year.

“Assessor’s Data” means Units, Acreage, or other information contained in the records of the County Assessor for each Assessor’s Parcel.

“Assessor’s Parcel” or **“Parcel”** means a lot or parcel shown in an Assessor’s Parcel Map with an assigned Assessor’s Parcel Number.

“Assessor’s Parcel Map” means an official map of the Assessor of the County designating parcels by Assessor’s Parcel Number.

“Assessor’s Parcel Number” means, with respect to an Assessor’s Parcel, that number assigned to such Assessment’s Parcel by the County Assessor for purposes of identification.

“Boundary Map” means that map recorded with the County recorder’s office on _____ in Book __ at Page __ as Document Number _____.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Annual Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“CFD No. 2022-1” means the City of Palmdale Community Facilities District No. 2022-1 (Citywide Maintenance and Services).

“City” means the City of Palmdale.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 2022-1.

“Commercial” means Assessor’s Parcels of Developed Property for which a building permit has been issued for a commercial use.

“County” means the County of Los Angeles, California.

“County Assessor” means the County Assessor of the County.

“Developed Property” means, in any Fiscal Year, all Taxable Property in CFD No. 2022-1 for which a building permit for new construction was issued by the City prior to March 1 of the preceding Fiscal Year.

“Exempt Property” means all Assessors’ Parcels within the boundary of CFD No. 2022-1 which are exempt from the Special Tax pursuant to Section E.-

“Fiscal Year” means the period starting July 1 and ending on the following June 30.

“GIS” means a geographic information system.

“Improved Square Foot(age)” means, for Industrial Parking Facility Property, that paved square footage used for parking facilities plus the structure square footage associated with any office or building on the property, as shown in Assessor’s Data or in City building permit data.

“Industrial Parking Facility Property” means all Assessor’s Parcels of Developed Property used for the temporary parking or storage of vehicles for a fee.

“Industrial Property” means all Assessor’s Parcels of Developed Property for which a building permit has been issued for an industrial use, including Business Park.

“Maximum Special Tax” means the maximum Special Tax authorized for levy in any Fiscal Year that may apply to Taxable Property as described in Section C.

“Mixed Use Property” means all Assessor’s Parcels that have been classified by the City to allow multiple uses on each such Assessor’s Parcel.

“Multi-Family Residential Property” means, in any Fiscal Year, all Assessor’s Parcels of Developed Property with two or more Units that share a single Assessor’s Parcel Number, are offered for rent to the general public, and cannot be purchased by individual homebuyers, according to Assessor’s Data or as otherwise known by the CFD Administrator. Multi-Family Property also means, in any Fiscal Year, all Assessor’s Parcels of Developed Property with one Unit with a single Assessor’s Parcel Number that is a condominium pursuant the definition in Civil Code Section 4125 or a townhome.

“Non-Residential Property” means all Assessor’s Parcels of Developed Property within the boundaries of CFD 2022-01 for which a building permit(s) has been issued for a non-residential structure(s).

“Open Space Property” means property within the boundaries of CFD No. 2022-1 which (i) has been designated with specific boundaries and Acreage on a final subdivision map as open space, (ii) is classified by the County Assessor as open space, (iii) has been irrevocably offered for dedication as open space to the federal government, the State, the County, the City, or any other public agency, or (iv) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

“Property Owner’s Association” means any property owner’s association. As used in this definition, a Property Owner’s Association includes any home-owner’s association, condominium owner’s association, master or sub-association or non-residential owner’s association.

“Property Owner’s Association Property” means any property within the boundaries of CFD No. 2022-1 which is (a) owned by a Property Owner’s Association or (b) designated with specific boundaries and acreage on a final subdivision map as property owner association property.

“Proportionately” means for Developed Property and Undeveloped Property, that the ratio of the Special Tax levy to the Maximum Annual Special Tax is equal within each respective Tax Zone.

“Public Property” means any property within the boundaries of CFD No. 2022-1 which (i) is owned by a public agency, (ii) has been irrevocably offered for dedication to a public agency, or (iii) is designated with specific boundaries and Acreage on a final subdivision map as property which will be owned by a public agency. For purposes of this definition, a public agency includes

the federal government, the State, the County, the City, school districts, or any other public agency.

"Rate and Method of Apportionment" means this Rate and Method of Apportionment of Special Tax for CFD No. 2022-1.

"Single Family Residential Property" means all Assessor's Parcels of Developed Property for which a building permit(s) has been issued for a residential structure intended as a single primary Unit.

"Special Tax" means the annual special tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Annual Special Tax Requirement.

"State" means the State of California.

"Tax Escalation Factor" means on July 1 of each Fiscal Year, commencing on July 1, 2023, the Maximum Special Tax as shown in Section C shall be increased by a minimum of two percent (2%) to a maximum of six percent (6%), determined on an annual basis as needed to satisfy the Special Tax Requirement.

"Tax Zone" means a mutually exclusive geographic area within which the Special Tax may be levied pursuant to this Rate and Method of Apportionment. ***All the Taxable Property within CFD No. 2022-1 at the time of its formation is within Tax Zone No. 1.*** Additional Tax Zones may be created when property is annexed to CFD No. 2022-1, and a separate Maximum Special Tax shall be identified for property within each new Tax Zone at the time of such annexation. The Assessor's Parcels included within a new Tax Zone when such Parcels are annexed to CFD No. 2022-1 shall be identified by Assessor's Parcel number in the annexation documents at the time of annexation.

"Taxable Property" means all the Assessor's Parcels within the boundaries of CFD No. 2022-1 that are not exempt from the Special Tax pursuant to law or Section E below.

"Undeveloped Property" means all the Assessor's Parcels of Taxable Property within the boundaries of CFD No. 2022-1 that are not Developed Property.

"Unit" means an individual residential living space. The number of Units assigned to each Assessor's Parcel may be determined by (i) referencing Assessor's Data, (ii) site surveys and physical unit counts, and/or (iii) other research by the CFD Administrator.

"Welfare Exempt Property" means, in any Fiscal Year, all Parcels within the boundaries of CFD No. 2022-1 that have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code.

B. DETERMINATION OF TAXABLE PARCELS

On, or about, July 1 of each Fiscal Year, the CFD Administrator shall determine the valid Assessor's Parcel Numbers for all Taxable Property within CFD No. 2022-1. If any Assessor's Parcel Numbers are no longer valid, the CFD Administrator shall determine the new Assessor's Parcel Number or Numbers in effect for the then-current Fiscal Year. To the extent a Parcel or

Parcels of Taxable Property are subdivided, consolidated, or otherwise reconfigured, the Maximum Special Tax shall be assigned to the new Assessor's Parcels Numbers pursuant to Section C. The CFD Administrator shall also determine: (i) the Tax Zone within which each Parcel is located; (ii) which Parcels are Developed Property and Undeveloped Property; (iii) the number of Units or Acreage each Parcel contains; (iv) the property type, i.e., Single Family Residential Property, Multi-Family residential Property, Non-Residential Property, , etc.; and (v) the Annual Special Tax Requirement for the Fiscal Year.

C. MAXIMUM ANNUAL SPECIAL TAX RATE

The Maximum Special Tax for each Assessor's Parcel of Taxable Property within Tax Zone No. 1 shall be assigned according to the table on the following page.

Tax Zone No. 1
Fiscal Year 2022/23

Property Land Use	Maximum Special Tax Rate	Per
Industrial Property	$256.54	Acre
Accessory Dwelling Units	50% of the applicable Maximum Special Tax Rate for the property type of the primary Acreage.	Unit
Undeveloped Property	$200.00	Parcel

* *On each July 1, commencing on July 1, 2023, the Maximum Special Tax Rate shall be increased by the Tax Escalation Factor..*

On July 1 of each Fiscal Year, commencing on July 1, 2023, the Maximum Special Tax for Tax Zone No. 1 shall be increased by an amount equal to the Tax Escalation Factor.

A different Maximum Special Tax rate and Tax Escalation Factor may be identified in Tax Zones added to CFD No. 2022-1 as a result of future annexations.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

All Taxable Property shall be subject to a Special Tax defined as follows.

The Special Tax shall be levied each Fiscal Year by the CFD Administrator. The Annual Special Tax Requirement shall be apportioned to each Parcel within CFD No. 2022-1 by the method shown below.

First: Determine the Annual Special Tax Requirement.

Second: Levy the Special Tax on each Parcel of Developed Property and Undeveloped Property, Proportionately, up to the applicable Maximum Special Tax.

Under no circumstances will the Special Tax on any Assessor's Parcel used for private residential purposes be increased by more than 10% as a consequence of delinquency or default by the owner of any other Assessor's Parcel within CFD No. 2022-1.

E. EXEMPTIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on Property Owner's Association Property, Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the

purposes set forth in the easement, or Public Property, except as otherwise provided in Sections 53317.3, 53317.5, and 53340.1 of the Act.

Welfare Exempt Property shall be exempt from the Special Tax in each Fiscal Year the property qualifies as Welfare Exempt Property.

F. APPEAL OF SPECIAL TAX LEVY

Any property owner may file a written appeal of the Special Tax with the CFD Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Tax that is disputed, and the appellant must be current in all payments of the Special Tax. In addition, during the term of the appeal process, all Special Tax levied must be paid on or before the payment date established when the levy was made.

The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the City Council whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the City Council requires the Special Tax to be modified or changed in favor of the property owner, the CFD Administrator shall determine if sufficient Special Tax revenue is available to make a cash refund. If a cash refund cannot be made, then an adjustment shall be made to credit future Special Taxes.

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

G. INTERPRETATION OF RATE AND METHOD OF APPORTIONMENT

The City Council may, by resolution or ordinance, interpret, clarify and/or revise this Rate and Method of Apportionment to correct any inconsistency, vagueness, or ambiguity as it relates to the Special Taxes, method of apportionment, classification of Assessor's Parcels, or any definition used herein, as long as such correction does not materially affect the levy and collection of Special Taxes. In addition, the interpretation and application of any section of this document shall be at the City's discretion.

H. MANNER AND DURATION OF SPECIAL TAX

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided that the City may directly bill the Special Tax, may collect the Special Tax at a different time or in a different manner if needed to meet the financial obligations of CFD No. 2022-1, and may collect delinquent Special Taxes through available methods.

A Special Tax shall be levied commencing in Fiscal Year 2022/23 to the extent necessary to satisfy the Annual Special Tax Requirement and shall be levied for as long as required to satisfy the Annual Special Tax Requirement.

I. PREPAYMENT OF SPECIAL TAX

The Special Tax may not be prepaid.

EXHIBIT C

NOTICE OF PUBLIC HEARING

Notice is hereby given that on June 1, 2022, the City Council of the City of Palmdale adopted a Resolution entitled "A Resolution of the City Council of the City of Palmdale Declaring Its Intention to Establish a Community Facilities District and to Authorize the Levy of Special Taxes Therein – Citywide Maintenance and Services" (the "Resolution of Intention"). Pursuant to the Resolution of Intention and Section 53311 and following of the California Government Code (the "Code"), notice is hereby given that the City Council will conduct a public hearing on Wednesday, July 6, 2022 at 7:00 p.m. or as soon thereafter as practicable, in the City Council Chambers located in City Hall, 38300 Sierra Highway, Suite B, Palmdale, California, to consider the following:

INTENT TO FORM
CITY OF PALMDALE
COMMUNITY FACILITIES DISTRICT NO 2022-1
(CITYWIDE MAINTENANCE AND SERVICES)

In the Resolution of Intention, the City Council declared its intention to form the City of Palmdale Community Facilities District No. 2022-1 (Citywide Maintenance and Services) to finance certain maintenance and services, as identified in Exhibit A to the Resolution of Intention (the "Services"). The proposed boundaries of the community facilities district were identified, and the Resolution of Intention identified a proposed special tax to be levied on real property to be included in the community facilities district to pay for costs of the Services and related administrative costs.

In the Resolution of Intention, the City Council provided that the levy of the special tax will be subject to a mailed ballot election among the landowners in the community facilities district. The City Council ordered the Director of Public Works to prepare a report on the community facilities district, and the City Council called for a public hearing on the community facilities district.

At the hearing, the testimony of all interested persons or taxpayers for or against the establishment of the community facilities district, the extent of the community facilities district or the furnishing of specified types of Services will be heard. Any person interested may file a protest in writing with the City Clerk. If fifty percent or more of the registered voters, or six registered voters, whichever is more, residing in the territory proposed to be included in the community facilities district, or the owners of one-half or more of the area of land in the territory proposed to be included in the community facilities district and not exempt from the special tax file written protests against the establishment of the community facilities district and the protests are not withdrawn to reduce the value of the protests to less than a majority, the City Council will take no further action to establish the community facilities district or authorize the special taxes for a period of one year from the date of the decision of the City Council, and if the majority protests of the registered

voters or the landowners are only against the furnishing of a type or types of Services, or against levying a specified special tax, those types of Services, or the specified special tax, will be eliminated from the proceedings to form the community facilities district.

In the Resolution of Intention, the City Council also determined that certain territory identified on a map of the community facilities district as a Future Annexation Area may be annexed in part from time to time to the community facilities district in the future, with the unanimous approval of the owner or owners of any particular portion of the annexation area to be annexed. The public hearing required under the Code relative to such annexation area will be combined with the public hearing described above. At the public hearing, the testimony of all interested persons for or against the future annexation of territory to the community facilities district or the levying of special taxes within the territory proposed to be annexed in the future will be heard.

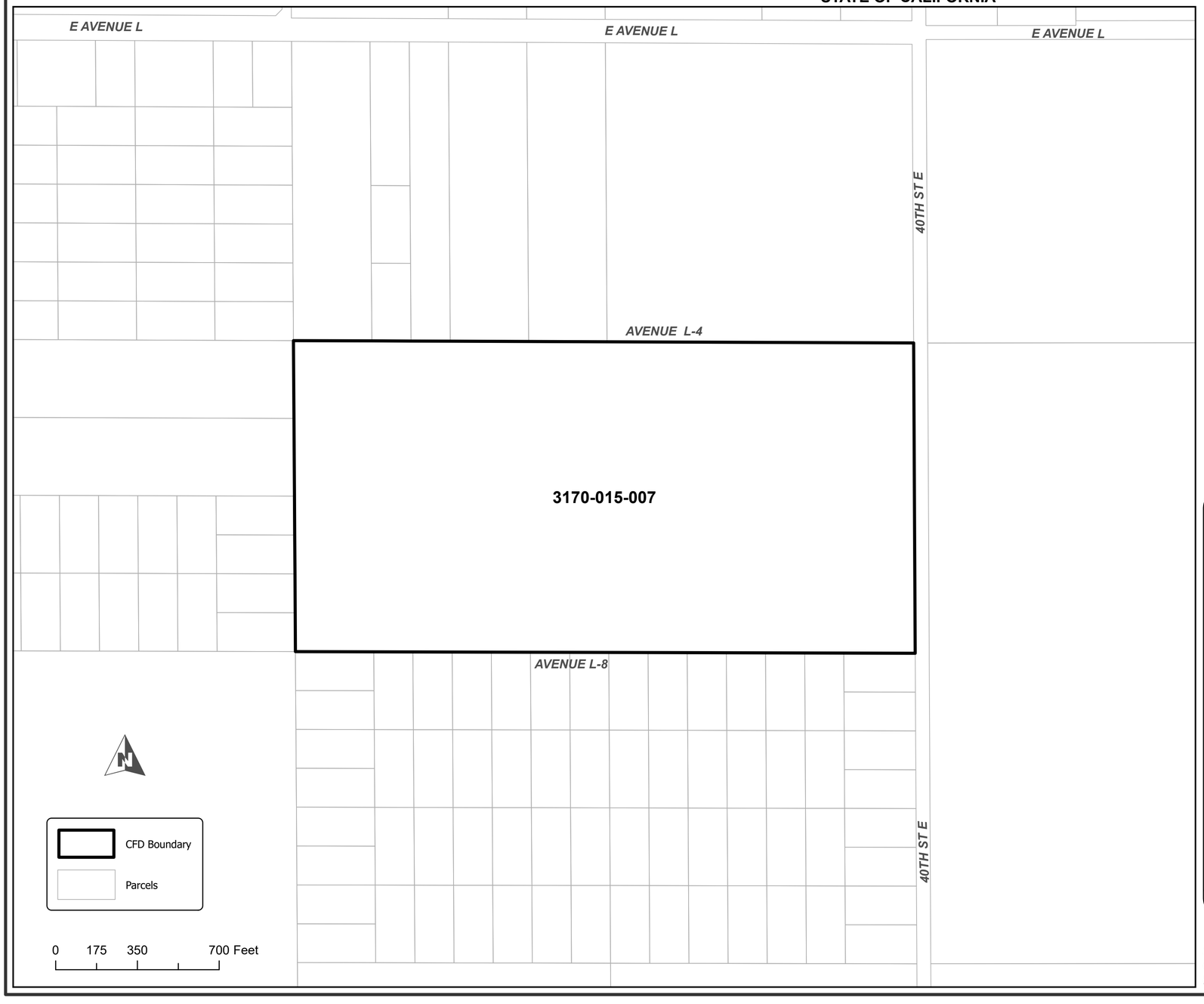
Any person interested in these matters is invited to attend and present testimony either for or against the above item. If you challenge the proposed action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk at or prior to the public hearing.

[insert, if applicable, means to participate at the public hearing via electronic communication]

/s/ Shanae S. Smith
City Clerk,
City of Palmdale

MAP OF PROPOSED BOUNDARIES OF CITY OF PALMDALE COMMUNITY FACILITIES DISTRICT NO. 2022-1 (CITYWIDE MAINTENANCE AND SERVICES)

CITY OF PALMDALE
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF PALMDALE THIS _____ DAY OF _____, 20__.

_____
CITY CLERK

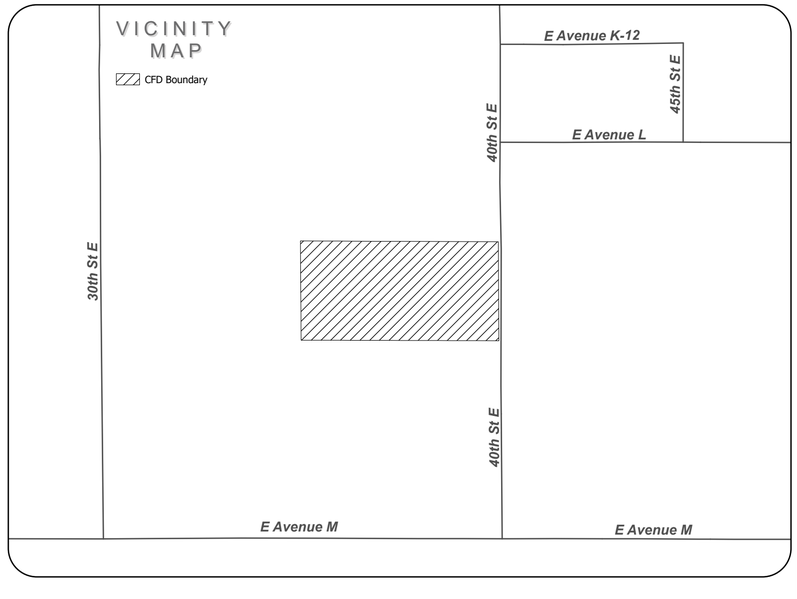
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF THE CITY OF PALMDALE COMMUNITY FACILITIES DISTRICT NO. 2022-1 (CITYWIDE MAINTENANCE AND SERVICES), CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF PALMDALE, AT A MEETING THEREOF, HELD ON THE _____ DAY OF _____, 20__, BY ITS RESOLUTION NO._____.

_____
CITY CLERK

FILED THIS _____ DAY OF _____, 20__, AT THE HOUR OF _____ O'CLOCK __.M., IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, AT PAGE _____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

_____
COUNTY RECORDER,
COUNTY OF LOS ANGELES

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

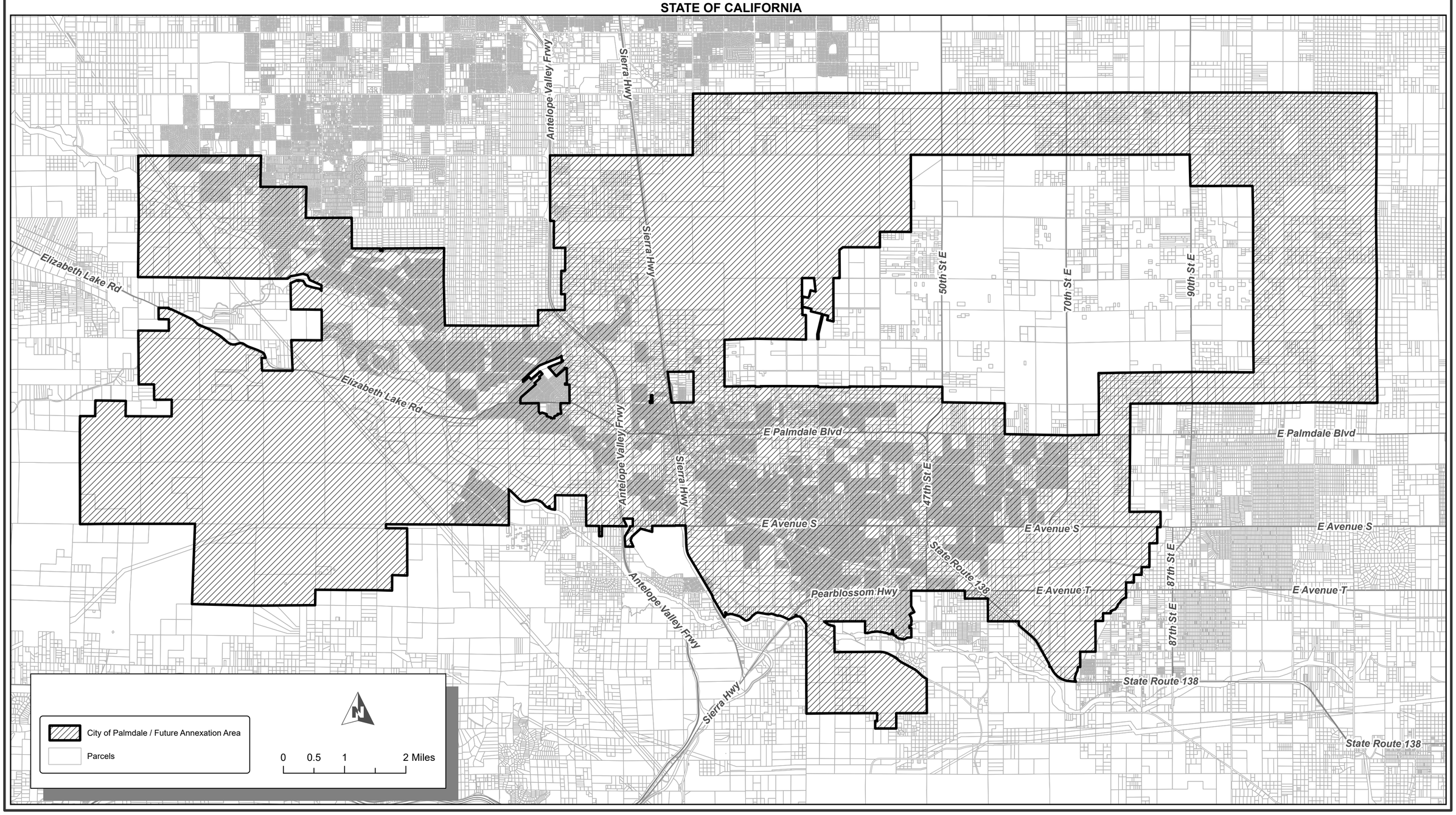


Source: Los Angeles County GIS
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California V FIPS 0405 Feet

NBS

MAP OF PROPOSED BOUNDARIES OF CITY OF PALMDALE COMMUNITY FACILITIES DISTRICT NO. 2022-1 (CITYWIDE MAINTENANCE AND SERVICES)

CITY OF PALMDALE
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA



City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
ENGINEERING DIVISION

DISTRICT: **2**

SUBJECT: **NOTICE OF COMPLETION – ACCEPT PUBLIC IMPROVEMENTS FOR PALMDALE SENIOR LIVING LOCATED AT WEST RANCHO VISTA BOULEVARD & TOWN CENTER DRIVE**

ISSUE

Notice of Completion – Accept Public Improvements for Palmdale Senior Living located at West Rancho Vista Boulevard & Town Center Drive.

RECOMMENDATION

Staff recommends that the City Council:

1. Accept the completed public improvements for Palmdale Senior Living at West Rancho Vista Boulevard & Town Center Drive.

2. Authorize the Interim City Manager or her designee to file a Notice of Completion and release the security for the completed public improvements.

BACKGROUND

This project constructed public street improvements on West Rancho Vista Blvd. 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” and shown in Exhibit “B” 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:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

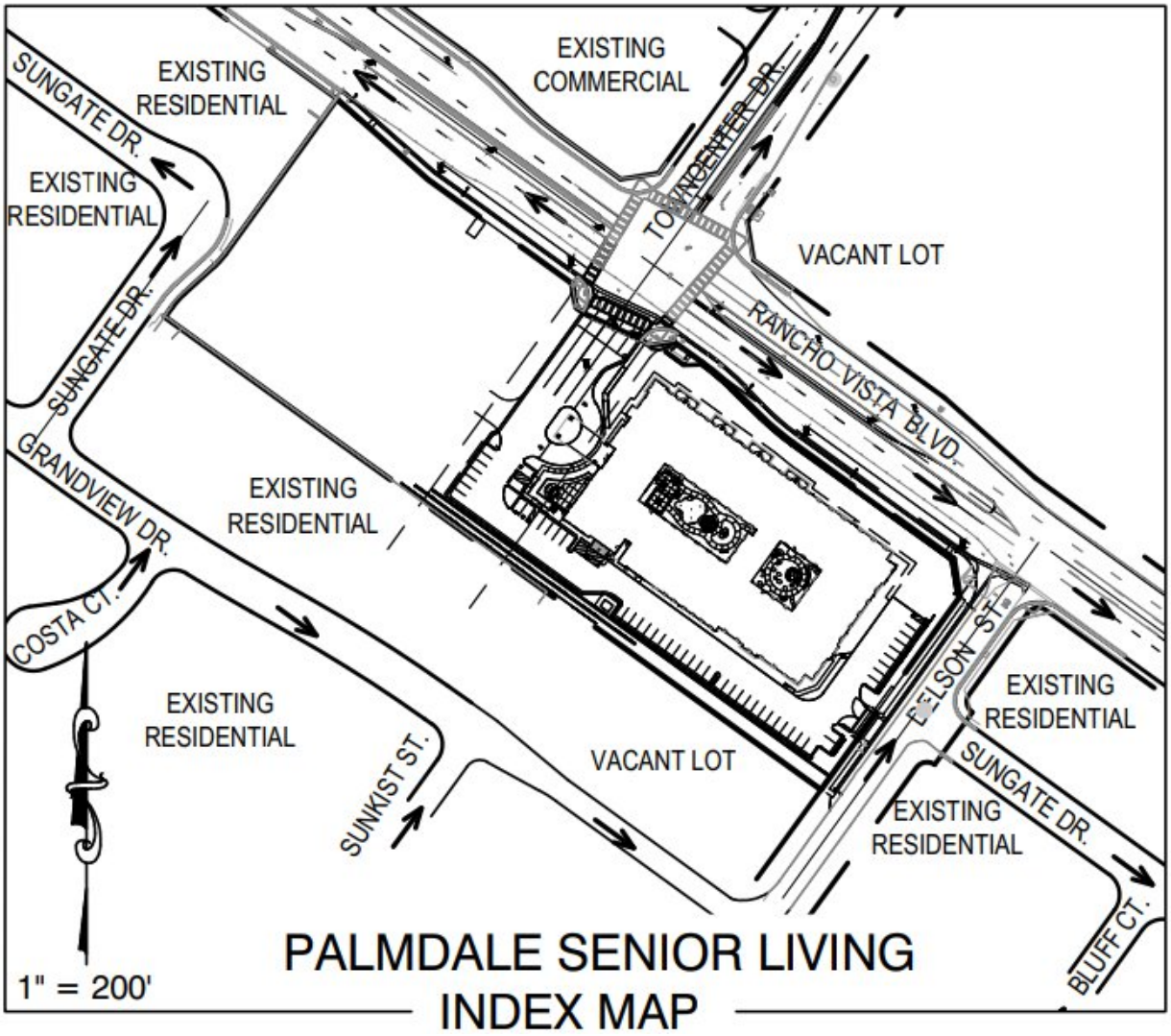
ATTACHMENTS

1. Exhibit A – List of Completed Public Improvements
2. Exhibit B – Site Map Location
3. Notice of Completion – Palmdale Senior Living Street Improvements

EXHIBIT A
LIST OF COMPLETED PUBLIC IMPROVEMENTS

Tract/Project	Plan #	Quantity	Security
Palmdale Senior Living	ST 19-44	736 LF	$207,700
Palmdale Senior Living	GD 19-44	3 PARKWAY DRAINS	$6,200

EXHIBIT B
SITE MAP



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-Palmdale Senior Living.**
5. A work of improvement on the property hereinafter described was completed on **April 26, 2022**
6. The work done was: "**Street Improvements-Palmdale Senior Living**",
7. The name of the Contractor for such work of improvement: **Protea Senior Living Palmdale 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: **West Rancho Vista Blvd. and Town Center Dr.**
9. The address of said property is: **3850 W Rancho Vista Blvd.**

Dated: June 01, 2022

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 01, 2022, in the City of Palmdale, California

Guillermo I. Padilla, City Engineer

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **1 & 3**

SUBJECT: **AUTHORIZE PURCHASE ORDER NO. 20220479 WITH GENERAC POWER SYSTEMS, INC. FOR PN 804, EMERGENCY GENERATOR, IN THE AMOUNT OF $109,904**

ISSUE

Authorize Purchase Order No. 20220479 with Generac Power Systems, Inc. for PN 804, Emergency Generator Project, in the amount of $109,904.

RECOMMENDATION

Staff recommends that the City Council:

1. Authorize Purchase Order No. 20220479 with Generac Power Systems, Inc. for PN 804, Emergency Generator Project, in the amount of $109,904.

2. Authorize the Interim City Manager or her designee to authorize Purchase Order No. 20220479 with Generac Power Systems, Inc., including minimal and/or non-substantive changes.

BACKGROUND

Project No. 804, Emergency Generator Project, provides for a portable diesel generator that can be used for SAVES and the Oasis Buildings during electric power outage. The Generac brand was specifically requested by the City Maintenance Department due to its reputation of producing a high-quality, durable, low environmental impact and most reliable generator, with a 2 year warranty, making the purchase in the best interest of the City. The portable generator will be stored at the Maintenance Yard and will be transported to the above buildings in emergency situations.

The purchase of the Generac brand portable generator, by negotiated contract and without competition, is authorized by the Finance Director per Palmdale Municipal Code 3.08.080, to serve the best interests of the City and to utilize the California Office of Emergency Services (CalOES) grant funds within the period of performance specified in the grant requirements.

DISCUSSION

A proposal was received for this project on April 7, 2022, and is summarized below:

BIDDER	LOCATION	AMOUNT
1. Generac Power Systems, Inc.	Waukesha, WI	$109,904

Staff was directed to obtain a proposal from Generac Power Systems, Inc. and present the summary to the City Council to authorize the purchase order in the amount of $109,904.

FISCAL IMPACT

The project is funded through Cal OES Funds, which have been allocated in Account No. F0062241-2097. The account has a current balance of $140,014. The fiscal impact and remaining account balance can be seen in the following table:

SCOPE OF WORK	COST
250 KVA Generac Brand Portable Diesel Generator	$96,840
Shipping	$2,145
Tax	$10,919
Generator Subtotal	**$109,904**

Account Number	Starting Balance	Remaining Balance
F0062241-2097	$140,014	$30,110

STRATEGIC PLAN

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

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

Prepared by:	Chuck Heffernan, P.E., Director of Public Works
Certified as to availability of Funds:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS:

ATTACHMENT 1 – Generac Proposal
ATTACHMENT 2 – 250kVA Portable Diesel Generator Specifications

ATTACHMENT 1 – Generac Proposal

GENERAC

Generac Power Systems, Inc.
S45 W29290 Hwy. 59
Waukesha WI 53189

Sales Quotation

Sold-To-Party
RSM - DOMESTIC
GENERAC
WAUKESHA WI 53188

Ship-To-Party
City of Palmdale
38300 Sierra Hwy
Palmdale CA 93550-4611

Information

Sales Quote No.	20590224
Document Date	03-25-2022
Customer No.	1004561
Currency	USD
Contact Person	Lynn Jones
Validity Start Date	03-25-2022
Validity End Date	06-30-2022

Header Information

Purchase Order No:		**Purchase Order Date:**	
Gross Weight:	0.100 LB	**Net Weight:**	0.100 LB
Volume:	0.001 "3		
Delivery Date:	05/26/2022		
Terms of payment:	Payable immediately without deduction		
Terms of Delivery:	EXW DELIVERING PLANT		

Sourcewell Contract 041719-GEN
Sourcewell Member ID # 24618
Current Lead time is 16-18 weeks ARO, subject to change.
Quote valid for 90 days.

Item	Material	Quantity	Price	Price Unit	Amount
10	MDG250DF4-STD3	1.000 EA	96,840.00 USD	1 EA	96,840.00
	MDG250DF4 DEERE T4 ENG-STD3 7310 CONFIG				
	HTS Code: 8502120000				
	COO:				

Items total:	96,840.00
Shipping	2,145.00
Shipping Discount	0.00
Subtotal:	98,985.00
Tax:	10,918.71
Final amount:	109,903.71

ATTACHMENT 2 – 250kVA Portable Diesel Generator Specifications

MDG250DF4 | 6.8 L | 250kVA

MOBILE DIESEL GENERATOR SET

EPA Emissions Certification: Final Tier 4

GENERAC | MOBILE

Standby Power Rating
220 kW, 275 kVA, 60 Hz

Prime Power Rating
200 kW, 250 kVA, 60 Hz

Image used for illustration purposes only

Codes and Standards

Generac Mobile products are designed to the following standards:

CSA CERTIFIED

NATM

TIER 4 FINAL EMISSIONS

ISO 8528-5

Power When and Where You Need It

Generac Mobile diesel generators are designed and engineered to power a variety of projects, in the most extreme environments. Gensets are configured to meet customer needs, including choice of containment, cold weather packages, trailer options, and more.

Generac Mobile diesel generators are manufactured to deliver reliable power, when and where you need it.

MDG250DF4 | 6.8 L | 250 kVA

MOBILE DIESEL GENERATOR SET

EPA Emissions Certification: Final Tier 4

GENERAC | MOBILE

APPLICATION AND ENGINEERING DATA

ENGINE SPECIFICATIONS

General

Make (Model)	John Deere (6068HFG06)
EPA Emissions Compliance	Final Tier 4
After-Treatment System	DOC and SCR
Cylinders – Qty	6
Type	In-Line
Displacement – in^3 (L)	415 (6.8)
Bore – in (mm)	4.2 (106)
Stroke – in (mm)	5.0 (127.0)
Compression Ratio	16.7:1
Intake Air Method	Turbocharged, after-cooled

Engine Governing

Governor	Electronic
Frequency Regulation (Steady State)	2%

Lubrication System

Oil Pump Type	Gear
Oil Filter Type	Spin-On Cartridge
Crankcase Capacity – qt (L)	34.3 (32.5)

Cooling System

Cooling System Type	Pressurized Closed
Water Pump Type	Engine Belt Driven
Fan Type	Pusher
Fan Speed – rpm	Variable Speed Clutch
Fan Diameter – in (mm)	28 (710)
Coolant System Capacity – qt (L)	44 (42)

Fuel System

Fuel Type	Ultra Low Sulfur Diesel
Fuel Specifications	EN 590 / ASTM D975
Fuel Filtering – μ	Primary: 10 Final: 2
Fuel Injection Pump – Make (Model)	Denso (HP6)
Fuel Pump Type	Engine Gear Driven
Injector Type	Electronic
Engine Type	Direct Injection High Pressure Common Rail
Fuel Supply Line Diameter – in (mm)	0.375 (9.5)
Fuel Return Line Diameter – in (mm)	0.375 (9.5)

Engine Electrical System

System Voltage – VDC	12
Battery – CCA	1,000
Battery – V (Qty)	12 (1)
Ground Polarity	Negative (-)

ALTERNATOR SPECIFICATIONS

Make (Model)	Marathon Electric (431CSL6206)
Poles – Qty	4
Field Type	Rotating
Insulation Class – Rotor	H
Insulation Class – Stator	H
Total Harmonic Distortion	<5%
Telephone Interference Factor	<50

Standard Excitation	Brushless
Bearings	Double Shielded, Prelubricated
Coupling	Direct Flexible Disc
Prototype Short Circuit Test	Yes
Voltage Regulator Type	AVR
Quantity of Sensed Phases	1
Regulation Accuracy (Steady State)	±0.5%

SUPERSTART® ALTERNATOR SPECIFICATIONS

Make (Model)	Marathon Electric (433CSL6216)
Poles – Qty	4
Field Type	Rotating
Insulation Class – Rotor	H
Insulation Class – Stator	H
Total Harmonic Distortion	<5%
Telephone Interference Factor	<50

Standard Excitation	Brushless
Bearings	Double Shielded, Prelubricated
Coupling	Direct Flexible Disc
Prototype Short Circuit Test	Yes
Voltage Regulator Type	AVR
Quantity of Sensed Phases	1
Regulation Accuracy (Steady State)	±0.5%

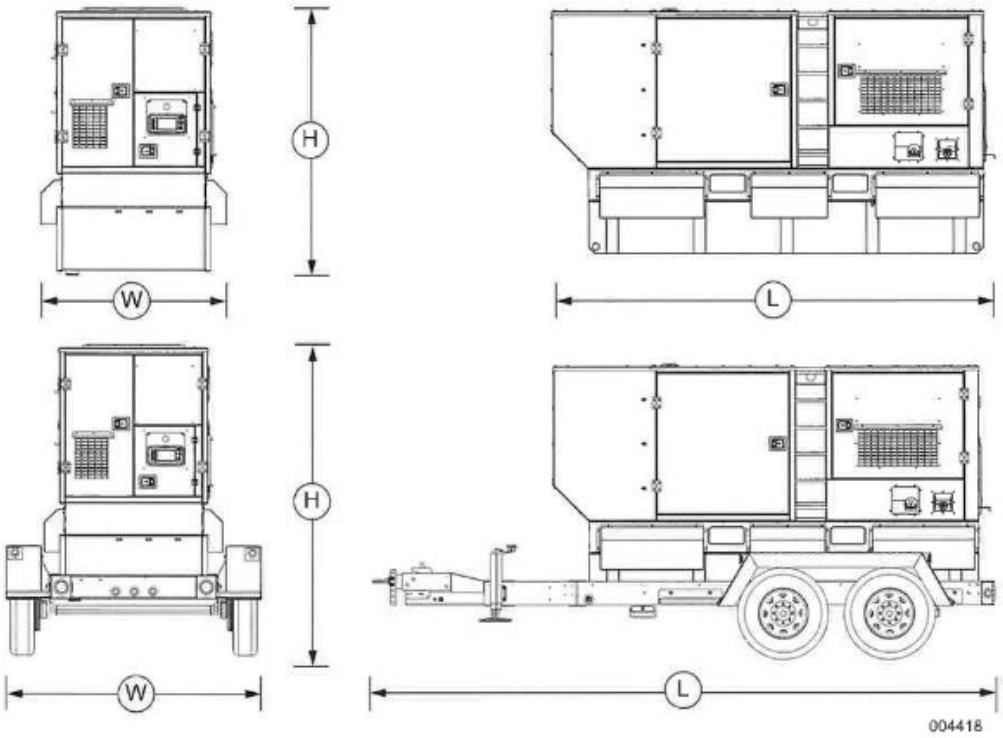
MDG250DF4 | 6.8 L | 250 kVA

MOBILE DIESEL GENERATOR SET

EPA Emissions Certification: Final Tier 4

GENERAC | MOBILE

DIMENSIONS AND WEIGHTS*



	Run Time: hr	Usable Fuel Capacity: gal (L)	Dimensions – L×W×H: in (m)	Weight: lb (kg)	
Skid	24	343 (1,298)	145 (3.7)×60 (1.5)×85 (2.1)	Dry:	6,898 (3,129)
				Operating:	9,411 (4,269)
Trailer	24	343 (1,298)	208 (5.3)×86 (2.2)×104 (2.6)	Dry:	8,863 (4,020)
				Operating:	11,376 (5,160)

SOUND RATING

- 78 dB(A) @ 23 ft (7 m) @ prime power

* All measurements are approximate and for estimation purposes only.

YOUR FACTORY RECOGNIZED GENERAC MOBILE DEALER

Specification characteristics may change without notice. Dimensions and weights are for preliminary purposes only. Please consult a Generac Mobile Authorized Service Dealer for detailed installation drawings.

 ©2020 Generac Mobile Products, LLC. All rights reserved. All specifications are subject to change without notice.

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE AMENDMENT NO. 2 FOR PN 826, THE PALMDALE REGIONAL RECREATION COMPLEX, WITH BARKER RINKER SEACAT ARCHITECTURE IN THE AMOUNT OF $20,280.**

ISSUE

Approve Amendment No. 2 for PN 826, the Palmdale Regional Recreation Complex, with Barker Rinker Seacat Architecture in the amount of $20,280.

RECOMMENDATION

Staff recommends that the City Council:

1. Approve Amendment No. 2 to Agreement No. A-7541, for PN 826, the Palmdale Regional Recreation Complex, with Barker Rinker Seacat Architecture in the amount of $20,280.

2. Authorize the Interim City Manager or her designee to execute Amendment No. 2 to Agreement No. A-7541, with Barker Rinker Seacat Architecture, including minimal and/or non-substantive changes.

BACKGROUND

Project No. 826, the Palmdale Regional Recreation Complex, will construct a state-of-the-art ±100,000 square foot facility that enhances the quality of life, provides economic development opportunities, and improves the health of its community residents. It will offer indoor, year-round opportunities for social interaction, learning, fun, and fitness all in one location, and provide services that meet the current trends and interests of its community. In July 2021, Council approved the first phase of the project which included community outreach, site analysis, conceptual design, and probable construction cost, and pro-forma analysis.

Amendment No. 1 was approved administratively and included soft costs and reimbursable expenses relating to the touring of recreation centers in Denver, Colorado; Dallas, Texas; and Hobbs, New Mexico.

DISCUSSION

Amendment No. 2, if approved, would provide four (4) additional community outreach meetings, and include an increase to the reimbursable expenses budget to accommodate the additional outreach efforts. These additional meetings extend the City's community outreach efforts in hopes of reaching the largest population of the community through multiple meeting date options.

FISCAL IMPACT

This project is funded through Measure AV (157) Funds, which have already been allocated to Account No. G0087 in the amount of $1,000,000. This amendment supports the first phase of the project, but future phases will be required to complete the environmental and design entitlements, as well as the construction of the facility. The fiscal impact and remaining account balance can be seen in the following table.

PALMDALE REGIONAL RECREATION COMPLEX PROJECT FUNDING		
SCOPE OF WORK		**COST**
Phase 1 – Community Outreach, Conceptual Design, Construction Cost Estimate and Pro Forma Analysis		$307,485
Administration (10%)		$30,749
Amendment No. 1 (approved administratively)		$30,650
Amendment No. 2		$20,280
Total Cost		$389,164
Account Number	**Starting Balance**	**Remaining Balance**
G0087157	$1,000,000	$610,836

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:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Amendment No. 2 to Agreement No. A-7541

2ND AMENDMENT TO AGREEMENT A-7541
BETWEEN THE CITY OF PALMDALE AND BARKER RINKER SEACAT ARCHITECTURE

This 2nd Amendment to Agreement No. A-7541 ("Agreement") between the City of Palmdale and BARKER RINKER SEACAT ARCHITECTURE is made and entered into this 1st day of June, 2022 by and between the City of Palmdale (hereinafter called "CITY") and BARKER RINKER SEACAT ARCHITECTURE (hereinafter called "PROJECT DESIGNER").

WHEREAS, the CITY and PROJECT DESIGNER entered into an agreement to provide:

The professional services necessary to prepare a conceptual plan for a ±100,000 square foot Regional Recreation Complex in the City of Palmdale. The scope of services include Community Outreach, Site Analysis and Selection, Conceptual Architectural and Landscape Design, Conceptual Civil Design, Probable Construction Cost and Pro Forma Analysis.

WHEREAS, PROJECT DESIGNER represents that PROJECT DESIGNER 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 CITY has requested additional services related to touring recreation centers in Denver, Colorado; Dallas, Texas; and Hobbs, New Mexico, as well as four (4) additional community engagement meetings.

NOW THEREFORE, the parties agree as follows:

The compensation identified in Section 9.1 - Compensation, shall be amended to increase the total price of the Agreement by twenty thousand two hundred eighty dollars ($20,280), not to exceed the sum of three hundred fifty-eight thousand four hundred fifteen dollars ($358,415), as follows:

Recreation Center Tours.....$30,650
Community Outreach.....$47,208
Site Analysis and Selection.....$43,833
Conceptual Architectural and Landscape Design.....$127,676
Conceptual Civil Design.....$19,625
Probable Construction Cost.....$38,938
Market Analysis and Pro Forma.....$16,000
Reimbursable and Travel Expenses.....$34,485

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

(REST OF PAGE INTENTIONALLY LEFT BLANK)

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

CITY OF PALMDALE:

Ronda Perez Date
Interim City Manager

BARKER RINKER SEACAT ARCHITECTURE:

4.26.22

Craig Bouck, AIA Date
Principal-in-Charge

ADDRESS FOR NOTICE:
CITY OF PALMDALE
38300 Sierra Highway
Palmdale, CA 93550

ADDRESS FOR NOTICE:
BARKER RINKER SEACAT ARCHITECTURE
3457 Ringsby Court, Unit 200
Denver, CO 80216

APPROVE AS TO FORM:

Christopher L. Beck
City Attorney

ATTEST:

Shanae S. Smith
City Clerk

ATTEST: If Corporation

Secretary

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS DEPARTMENT**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **1, 3 & 5**

SUBJECT: **AWARD CONSTRUCTION AGREEMENT WITH MANHOLE ADJUSTING INC. FOR PN 847, 2022 LOCAL STREET & MINOR ARTERIAL RESURFACING PROJECT, IN THE AMOUNT OF $6,937,785.50 FOR A TERM OF 60 WORKING DAYS FROM THE DATE OF THE NOTICE TO PROCEED**

ISSUE

Award construction Agreement No. A-7894 with Manhole Adjusting Inc. for PN 847, 2022 Local Street & Minor Arterial Resurfacing Project, in the amount of $6,937,785.50 for a term of 60 working days from the date of the Notice to Proceed.

RECOMMENDATION

Staff recommends that the City Council:

1. Award construction Agreement No. A-7894 with Manhole Adjusting Inc. for PN 847, 2022 Local Street & Minor Arterial Resurfacing Project, in the amount of $6,937,785.50.

2. Authorize the Interim City Manager or her designee to execute Agreement No. A-7894 with Manhole Adjusting Inc., including minimal and/or non-substantive changes.

BACKGROUND

Project No. 847, 2022 Local Street & Minor Arterial Resurfacing Project, provides for the paving/resurfacing of minor arterials including East Avenue R-8 (from 27th St East to 45th St East) and 6th St East (from Ave Q to Ave R), along with pavement preservation treatments on local streets in areas around the City (see the attached project map). Work includes but not limited to: crack sealing/filling, cold milling, paving with polymer modified asphalt concrete (PMAC) material, asphalt-concrete leveling courses, cape sealing with asphalt rubber aggregate membrane (ARAM) material, upgrades to crosswalk striping and pavement markings, traffic loop restoration, sewer manhole improvements, utility adjustments, and traffic control plan development. It is anticipated

that construction will take approximately 3 months (60 working days) from the date the City issues the Notice to Proceed.

DISCUSSION

One (1) bid was received for this project on May 16, 2022, and is summarized below:

BIDDER	LOCATION	AMOUNT
1. Manhole Adjusting Inc.	Pico Rivera, CA	$6,937,785.50

The project was released for public bid electronically on April 14, 2022, and over 200 vendors were notified. Ten (10) prime contractors downloaded the bid documents for review and several contractors posted questions regarding the project, however one contractor ultimately elected to submit a bid.

References have been checked and staff recommends that the City Council award Project No. 847 to the lowest bidder, Manhole Adjusting Inc. in the amount of $6,937,785.50.

FISCAL IMPACT

The project has been funded through Gas Tax (201), Prop C Local Return (204), and TDA Article 8 (207) funds, which have been allocated in Account No. S0025. The account has a current cumulative balance of $8,921,730. The fiscal impact and remaining account balance can be seen in the following table:

SCOPE OF WORK	COST
PN 847 – 2022 Local Street & Minor Arterial Resurfacing Project	$6,937,790
Construction Contingency (7%)	$485,650
Administration and Inspection	$45,000
Materials Testing	$30,000
Labor Compliance	$25,000
Total Cost:	**$7,523,440**

Account Number	Starting Balance	Anticipated Expenditures	Anticipated Remaining Balance
S0025201	$3,340,950	$1,942,660	$1,398,290
S0025204	$3,034,870	$3,034,870	$0
S0025207	$2,545,910	$2,545,910	$0

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:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENT:
PN 847 Citywide Project Map

PN 847 AWARD OF
AGREEMENT NO. A-7894
JUNE 1, 2022
ATTACHMENT NO. 1

PN 847 Street Work*

Completed Streets**

ARAM Sys 1 / Sys 2 Cape Seal (appox. 8,375,000 sf)

Type II RAP Slurry Seal (appox. 1,222,000 sf)

School

Centerline

Park

*PN 847: Over 2.7 million square feet of ARAM Cape Seal & Mill and Overlay on local streets and minor arterials
Construction in Summer\Fall 2022
Note: not all project streets labeled

**Figures based on PN 747, PN 781 & PN 806, as completed in Sept 2018, Oct 2019 & Oct 2021, resp.

Data Source: Copyright 2022. 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. Map Revision Date: 05/16/2022

N 0 1,750 3,500 7,000 10,500 14,000 Feet

PALMDALE
a place to call home

PN 847 : 2022 Local Street & Minor Arterial Resurfacing

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS**
CAPITAL IMPROVEMENT PROGRAM DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NO. CC 2022-054, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE TO ADOPT A LIST OF PROJECTS FOR FISCAL YEAR 2022-2023 FUNDED BY SB 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017**

ISSUE

Adopt Resolution No. CC 2022-054, a Resolution of the City Council of the City of Palmdale to adopt a list of projects for Fiscal Year 2022-2023 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 2022-054 to adopt a list of projects for Fiscal Year 2022-2023 to be funded by SB 1: The 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 the 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 funded 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 2022-2023, the allocated amount of $3,557,654 will be budgeted in the City's CIP Project budget and will be used for the project listed below:

- 35th Street East (Avenue R to Avenue S) – prepare structural analysis of pavement section to determine appropriate resurfacing treatment; prepare full design plans and specification and construct.

- 10th Street West (600' s/o Rancho Vista Blvd to Elizabeth Lake Road) - prepare structural analysis of pavement section to determine appropriate resurfacing treatment; prepare full design plans and specification and construct.

- Avenue R Resurfacing (Sierra Hwy to Tierra Subida) - prepare structural analysis of pavement section to determine appropriate resurfacing treatment; prepare full design plans and specification and construct.

FISCAL IMPACT

Since the inception of the Road Maintenance and Rehabilitation Funds (RMRA), the City has received $9,456,132. The allocated amount for FY 2022-2023 of $3,557,654 will be budgeted in Account S0025210. These funds have been used for local streets and roads for basic road maintenance and road rehabilitation projects, safety projects, traffic control devices and complete street components. Once the project is established and meets the criteria, a project code 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:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

Resolution No. CC 2022-054

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2022-054

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2022-2023 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 $3,557,654, in RMRA funding in Fiscal Year 2022-2023 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 2022-2023 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**
35th Street East Pavement Rehabilitation	35th Street East from Avenue R to Avenue S	Fall 2023	5-10 years
10th Street West Pavement Rehabilitation	10th Street West RVB to Elizabeth Lake Road	Fall 2023	5-10 years
Avenue R Resurfacing	Avenue R Resurfacing (Sierra Hwy to Tierra Subida)	Fall 2023	5-10 years

SECTION 3. The City Clerk shall certify to the adoption of this resolution.

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 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, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **PUBLIC WORKS**

DISTRICT: **1**

SUBJECT: **ADOPT RESOLUTION NO. CC 2022-068, RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE DECLARING ITS INTENTION TO CONDUCT A PUBLIC HEARING TO CONSIDER THE VACATION OF A SEGMENT OF 6TH STREET EAST (100 FEET SOUTH OF SIERRA HIGHWAY TO 220 FEET NORTH OF AVENUE P-14) AND THE RESERVATION OF THE UTILITY EASEMENTS THEREIN**

ISSUE

Adopt Resolution No. CC 2022-068, a Resolution of the City Council of the City of Palmdale declaring its intention to conduct a public hearing to consider the vacation of a segment of 6th Street East (100 Feet South of Sierra Highway to 220 Feet North of Avenue P-14) and the reservation of the utility easements therein.

RECOMMENDATION

Staff recommends that the City Council:

1. Adopt Resolution No. CC 2022-068, declaring the City's intention to vacate a segment of 6th Street East (100 Feet South of Sierra Highway to 220 Feet North of Avenue P-14); and,

2. Set the time and place for a Public Hearing on July 13, 2022, to consider the proposed vacation.

BACKGROUND

The Engineering Division received an application from the City's Capital Improvement Management Division requesting actions be taken to vacate a segment of 6th Street East (100 Feet South of Sierra Highway to 220 Feet North of Avenue P-14). This request is in conjunction with the Electric Vehicle Charging Station project for the Palmdale Transportation Center. This proposed street vacation of said segment of 6th Street East is supported by the Circulation Element of the General Plan Amendment (GPA 20-002), Zone Change (ZC 20-002), Specific Plan Amendment (SPA 20-001) and Specific Plan (SPL 20-001) for the Palmdale Transit Area Specific Plan that was certified by the City Council (under Resolution No. CC 2020-096 and Ordinance No. 1551) on December 15, 2020.

DISCUSSION

The Palmdale Transportation Center (PTC) multi-modal facility, located at 39000 Clock Tower Plaza Drive, was open to the public in April 2005. The project required acquisition of several properties and the dedication of new public streets to service this project. It was the City's intention to vacate portions of the underlying public street of 6th Street East in conjunction with the PTC development. A tentative parcel map was filed with the County, however was not recorded. This vacation process presented to Council will remove the public street designation of said segment of 6th Street East, while the existing roadway network for the PTC will remain in place and continue to serve the public.

Notices were sent out to all known utility providers informing them of the proposed street vacation. Several of the utilities responded that they had facilities in the area of the proposed vacation and requested a reservation of easement. However, no objections to the proposed vacation were received.

Pursuant to the Streets and Highways Code section 8320, the local agency (City) processing the street vacation under the General Vacation Procedure shall be required to initiate the proceedings by setting a date, hour, and place for a public hearing. This action will be followed by the posting of notices and publishing the vacation information in the local newspaper in accordance with sections 8322 of the Street and Highways Code.

FISCAL IMPACT

There is no fiscal impact to the City as a result of this action.

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:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Resolution No. CC 2022-068
2. Exhibit "A", Exhibit "B", Exhibit "C", Exhibit "D"

CITY COUNCIL
CITY OF PALMDALE, CALIFORNIA
RESOLUTION NO. CC 2022-068

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE DECLARING ITS INTENTION TO CONDUCT A PUBLIC HEARING TO CONSIDER THE VACATION OF A SEGMENT OF 6TH STREET EAST (100 FEET SOUTH OF SIERRA HIGHWAY TO 220 FEET NORTH OF AVENUE P-14) AND THE RESERVATION OF THE UTILITY EASEMENTS THEREIN

WHEREAS, The Engineering Division received an application from the City's Project Management Division requesting actions be taken to move forward with proceedings to vacate a segment of 6th Street East (100 Feet South of Sierra Highway to 220 Feet North of Avenue P-14) and the reservation of the existing utility easements therein; and

WHEREAS*,* The proposed vacation will not negatively impact the general public and has been found to be consistent with the Circulation Element of the City's General Plan and the Palmdale Transit Area Specific Plan; and

WHEREAS*,* The existing improvements within the right of way to be vacated shall remain and the existing roadway network will continue to serve the Palmdale Transportation Center; and

WHEREAS*,* The Palmdale Transportation Center was approved through Conditional Use Permit 01-16 and the General Plan Amendment (GPA 20-002), Zone Change (ZC 20-002), Specific Plan Amendment (SPA 20-001) and Specific Plan (SPL 20-001) for the Palmdale Transit Area Specific Plan that was certified by the City Council (under Resolution No. CC 2020-096 and Ordinance No. 1551) on December 15, 2020; and

WHEREAS, The Palmdale Transportation Center and existing roadway network was determined not to cause any substantial changes in any portion which would require revisions to the Palmdale Transit Area Specific Plan.

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 City Council of the City of Palmdale hereby declares its intention to conduct a public hearing to vacate a segment of 6th Street East (100 Feet

South of Sierra Highway to 220 Feet North of Avenue P-14), located within the City of Palmdale, as shown in Exhibit “A”, Exhibit “B”, Exhibit “C”, and Exhibit “D”.

SECTION 2. The City Council, in vacating the portion of said streets described in Exhibit “A”, elects to proceed under and in accordance with the provisions of the “Public Streets, Highways, and Service Easements Vacation Law” Division 9, Part 3, Chapter 3 of the Streets and Highways Code of the State of California.

SECTION 3. Nothing in this Resolution shall in any way affect or disturb any existing easement for public utility purposes belonging either to the City of Palmdale or to any other public entity.

SECTION 4. Notice is hereby given that a public hearing shall be held on the proposed street vacation on Monday July 13th 2022, at the hour of 7:00pm in the Council Chambers at City Hall, 38300 Sierra Highway Suite B, Palmdale, California, at which time any and all interested persons may present evidence for or against the proposed vacation.

SECTION 5. The City shall cause notice of the hearing on the proposed Street Vacation to be published once a week for two successive weeks in the Antelope Valley Press, a local newspaper published and circulated in the city of Palmdale prior to the date set forth for the public hearing as required by said “Public, Streets, Highways, and Service Easement Vacation Law”.

SECTION 6. The City Clerk shall certify to the adoption of this Resolution.

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 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 _____ day of _____, 20___ by the following roll call vote:

AYES: _____

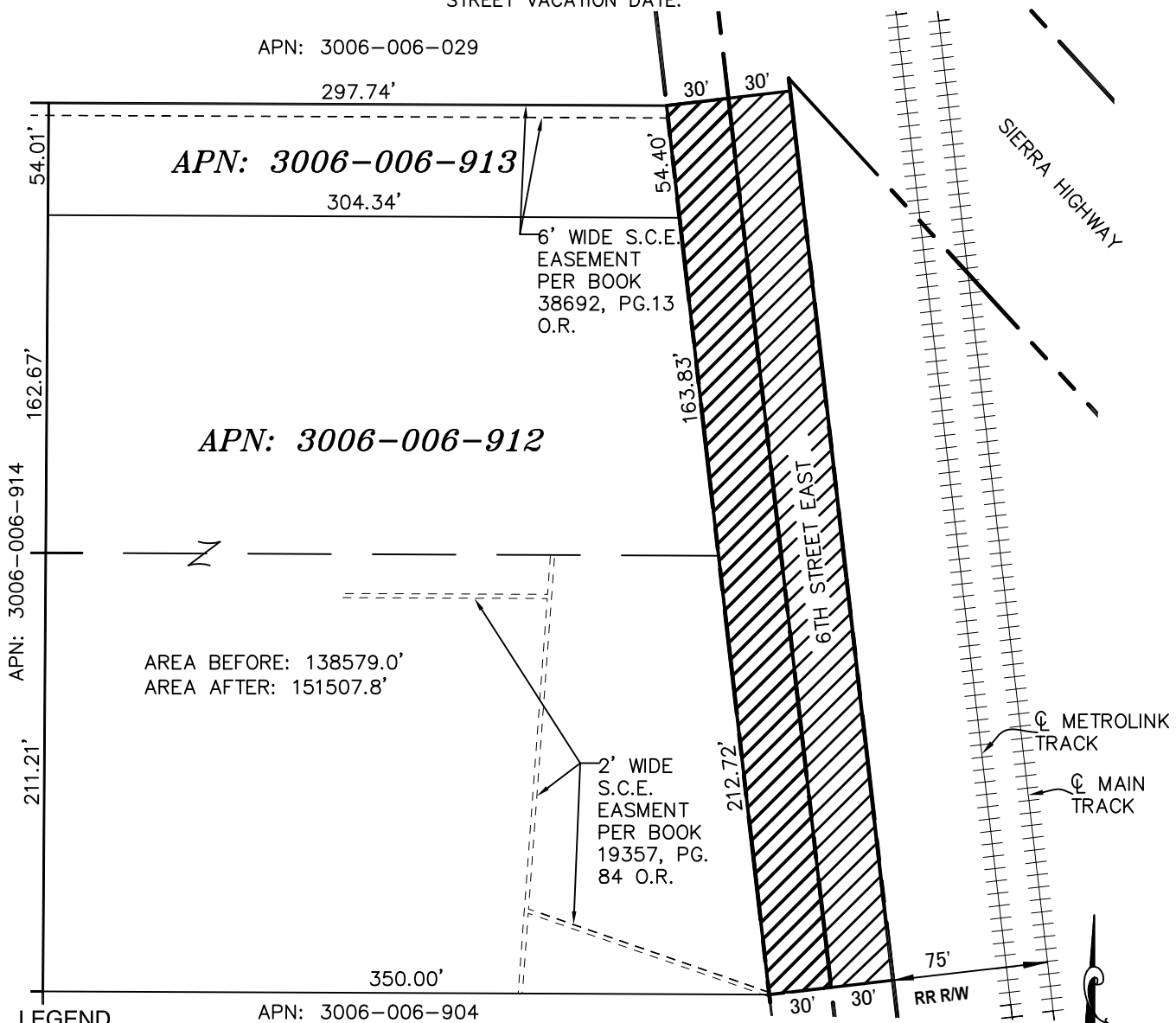
NOES:_____

ABSTAIN:_____ABSENT:_____

Date: _____ _____
Shanae S. Smith, City Clerk

"EXHIBIT A"

PLAT OF STREET VACATION OF PORTION OF 6TH STREET EAST
BEING A PORTION OF LOT 13 AND 18
OF TRACT 7670 RECORDED IN MAP BOOK 114 PAGE 28–30
STREET VACATION DATE:



LEGEND

- EXISTING PARCEL LINES.
- RIGHT OF WAY
- EXISTING EASMENTS
- ℄ RR TRACKS
- PORTION OF STREET TO BE VACATED

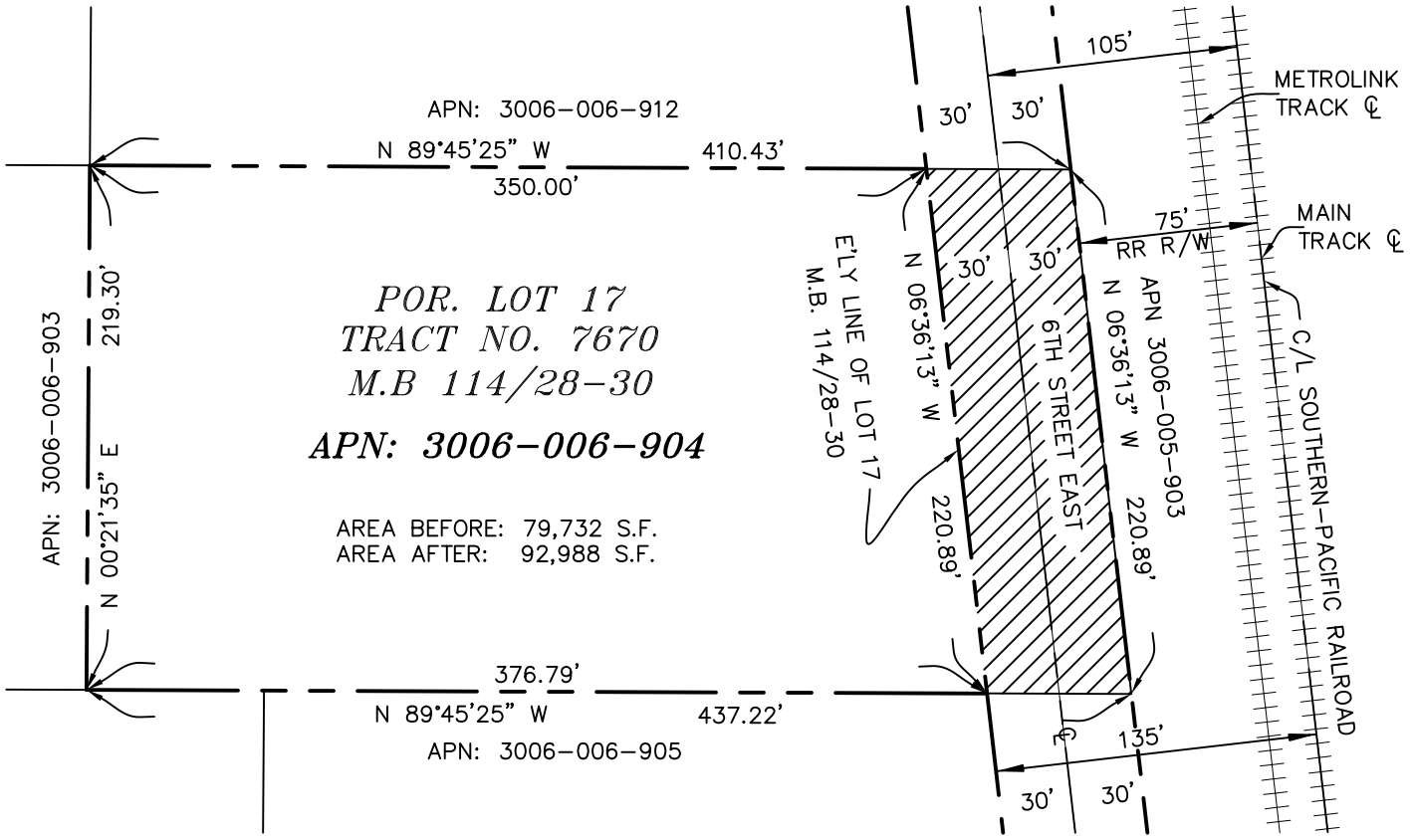
SCALE: 1"=80'

CLIENT:	PROJECT:	
CITY OF PALMDALE 38300 SIERRA HWY PALMDALE CA, 93550	**STREET VACATION** 6TH STREET EAST PALMDALE CA, 93550	
DATE: 09–25–18	SCALE: 1"=80'	JOB No.: JTN 2133

ENGINEERING
ENGINEERING TECHNOLOGY
AGUA DULCE, CA. 91350 (661) 268–8899
33336 N. Agua Dulce Cyn. Rd, #103, Agua Dulce, CA 91390
www.jtengineering.com

"EXHIBIT B"

PLAT OF STREET VACATION OF PORTION OF 6TH STREET EAST
IN THE SOUTHEAST QUARTER OF SECTION 23,
TOWNSHIP 6 NORTH, RANGE 12 WEST, S.B.M.
STREET VACATION DATE:



LEGEND

———	EXISTING PARCEL LINES.
— — —	RIGHT OF WAY
—℄—	CENTERLINE
- - - - - -	EXISTING EASMENTS
┼┼┼┼┼┼┼┼	℄ RR TRACKS
▨	PORTION OF STREET TO BE VACATED AREA: 13,256 S.F. +/- (0.30 AC +/-)

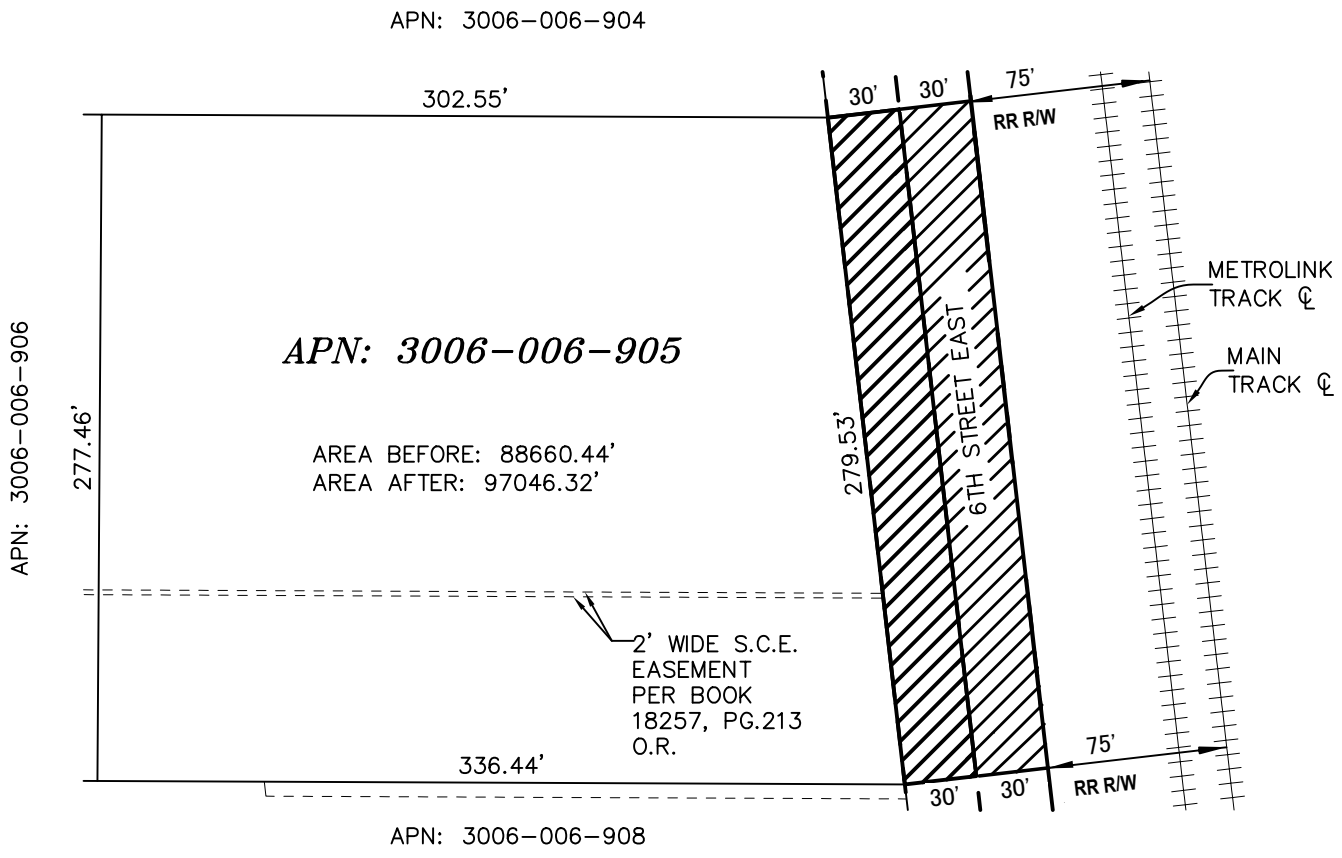
SCALE: 1"=80'

CLIENT:	PROJECT:	
CITY OF PALMDALE 38300 SIERRA HWY PALMDALE CA, 93550	STREET VACATION 6TH STREET EAST PALMDALE CA, 93550	
DATE: 03-15-22	SCALE: 1"=80'	JOB No.: JTN 2133

ENGINEERING
ENGINEERING TECHNOLOGY
AGUA DULCE, CA. 91350 (661) 268-8899
33336 N. Agua Dulce Cyn. Rd, #103, Agua Dulce, CA 91390
www.jtengineering.com

"EXHIBIT C"

PLAT OF STREET VACTION OF PORTION OF 6TH STREET EAST
BEING A PORTION OF LOT 16
OF TRACT 7670 RECORDED IN MAP BOOK 114 PAGE 28–30
STREET VACATION DATE:



LEGEND

- EXISTING PARCEL LINES.
- RIGHT OF WAY
- EXISTING EASMENTS
- ℄ RR TRACKS
- PORTION OF STREET TO BE VACATED

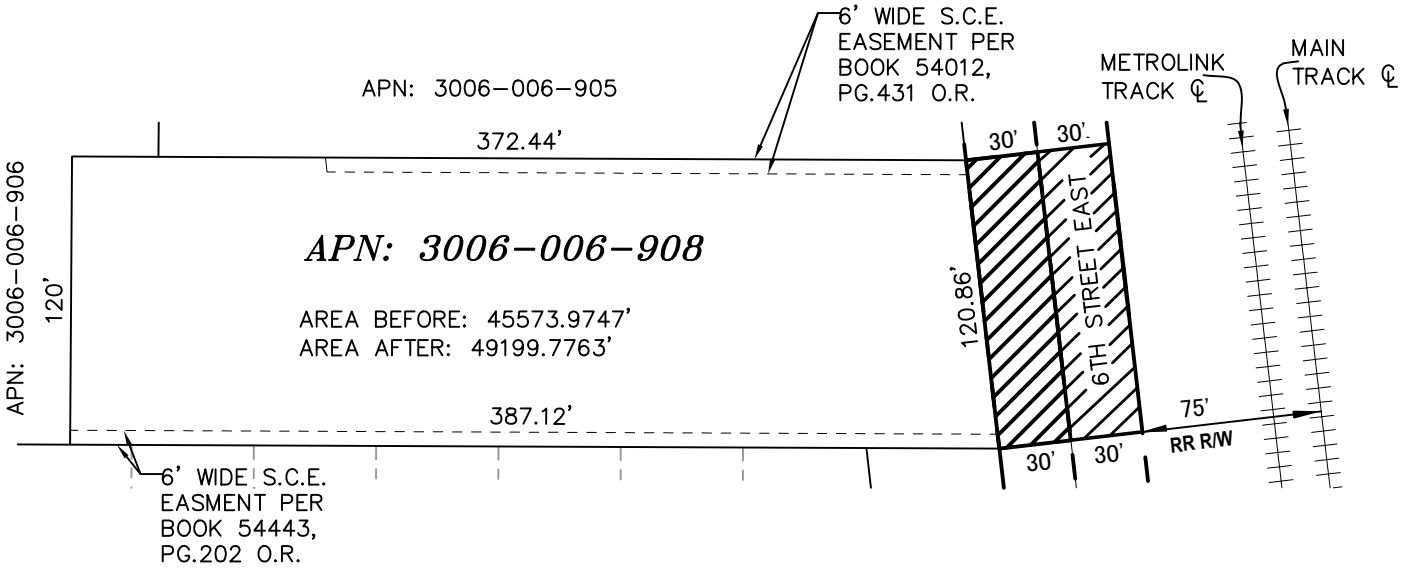
SCALE: 1"=80'

CLIENT:	PROJECT:	
CITY OF PALMDALE 38300 SIERRA HWY PALMDALE CA, 93550	**STREET VACATION** 6TH STREET EAST PALMDALE CA, 93550	
DATE: 09–25–18	SCALE: 1"=80'	JOB No.: JTN 2133

ENGINEERING
ENGINEERING TECHNOLOGY
AGUA DULCE, CA. 91350 (661) 268–8899
33336 N. Agua Dulce Cyn. Rd, #103, Agua Dulce, CA 91390
www.jtengineering.com

"EXHIBIT D"

PLAT OF STREET VACATION OF 6TH STREET EAST
BEING A PORTION OF THE SOUTH 120 FEET OF LOT 16
OF TRACT 7670 RECORDED IN MAP BOOK 114 PAGE 28–30
STREET VACATION DATE:



LEGEND

- EXISTING PARCEL LINES.
- RIGHT OF WAY
- EXISTING EASMENTS
- ℄ RR TRACKS
- PORTION OF STREET TO BE VACATED

SCALE: 1"=80'

CLIENT:	PROJECT:	
CITY OF PALMDALE 38300 SIERRA HWY PALMDALE CA, 93550	**STREET VACATION** 6TH STREET EAST PALMDALE CA, 93550	
DATE: 09–25–18	SCALE: 1"=80'	JOB No.: JTN 2133

ENGINEERING
ENGINEERING TECHNOLOGY
AGUA DULCE, CA. 91350 (661) 268–8899
33336 N. Agua Dulce Cyn. Rd, #103, Agua Dulce, CA 91390
www.jtengineering.com

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

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

DISTRICT: **ALL**

SUBJECT: **APPROVAL OF 32 FIREWORKS BOOTH PERMITS FOR NON-PROFIT ORGANIZATIONS**

ISSUE

Approval of 32 fireworks booth permits for non-profit organizations.

RECOMMENDATION

Staff recommends that the City Council approve 32 firework booth permits for non-profit organizations within Table 1.

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 percent of its active members from within the incorporated City;
- Have been organized and established in the area that is within the City for at least 12 months preceding the filing; and,
- Have at least 20 members.

As specified within PMC Section 8.04.500.E, one booth is allowed for every 3,000 residents. Based upon the current population estimate of 156,074 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

Of the 33 applications submitted for review, 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.

Table 1 contains a list of the proposed booth locations and operators. The Firework Booth Location Map is included as Attachment 1 of this report.

TABLE 1 – PROPOSED BOOTH LOCATIONS AND OPERATORS

	Organization	Booth Location
1.	Adorable Baby's Jump Start	1301 West Rancho Vista Boulevard (in the parking lot south of Rockin' Jump Trampoline)
2.	American Indian Little League	39626 10th Street West (south of Applebee's)
3.	Antelope Valley Desert Divers, Inc.	5038 West Avenue N
4.	Antelope Valley Youth Athletics, Inc.	1123 West Rancho Vista Boulevard (10th Street West entrance)
5.	Bet-El Casa De Dios	39700 30th Street West (Marie Kerr Park)
6.	Community Development Center USA	Northeast corner of 40th Street East and Avenue S
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 side of Sierra Highway, south of Rancho Vista Boulevard
11.	High Desert Bombers Baseball	3005 East Palmdale Boulevard
12.	Highland High School Instrumental Music Booster Club	2535 East Avenue S (Stater Bros parking lot)
13.	Iglesia Emmanuel Antelope Valley	2419 East Avenue S (east side of parking lot near 25th Street East)
14.	Kingdom Builders	440 East Palmdale Boulevard (parking lot between Vallarta and Chevron)

TABLE 1 – PROPOSED BOOTH LOCATIONS AND OPERATORS - CONTINUED

Organization		Booth Location
15.	Kiwanis Club of Palmdale	1803 East Palmdale Boulevard (Vallarta parking lot)
16.	Lions Club of Palmdale	2049 East Palmdale Boulevard
17.	Littlerock High School Band Boosters	4644 East Avenue S (southwest corner of Avenue S and 47th Street East)
18.	Marine Corps League, Antelope Valley Detachment 930	37218 47th Street East (Stater Bros parking lot)
19.	Nueva Vida En Cristo Antelope Valley	2534 East Avenue S (Del Taco parking lot)
20.	Palmdale American Legion Post NO 348	856 West Palmdale Boulevard
21.	Palmdale Chamber of Commerce	40130 10th Street West (Walmart parking lot near Dragon Garden)
22.	Palmdale Elks Lodge #2027	39940 10th Street West (Sam's Club parking lot, east of Panda Express)
23.	Palmdale Repertory Theatre	37140 47th Street East (Walmart parking lot)
24.	Palmdale Vineyard	41463 10th Street West
25.	St. Mary's Catholic Church	4343 Pearblossom Highway (dirt lot west of 45th Street East)
26.	St. Stephen's of the Valley Lutheran Church	38727 Tierra Subida Avenue (Albertson's parking lot)
27.	The Highland Gridiron Booster Club	266 East Palmdale Boulevard
28.	The Palmdale Aerospace Academy PTSO	3875 West Rancho Vista Boulevard (Neighborhood Walmart parking lot)
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 south of Sharky's Woodfired Mexican Grill)
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 $29,022.06 in revenue consisting of $903.54 for each of the 29 renewing organizations and $939.80 each for the three new organizations. The fee includes $518 per organization for fireworks enforcement. In addition, proceeds from fireworks sales will benefit charitable and non-profit organizations within the community.

STRATEGIC PLAN

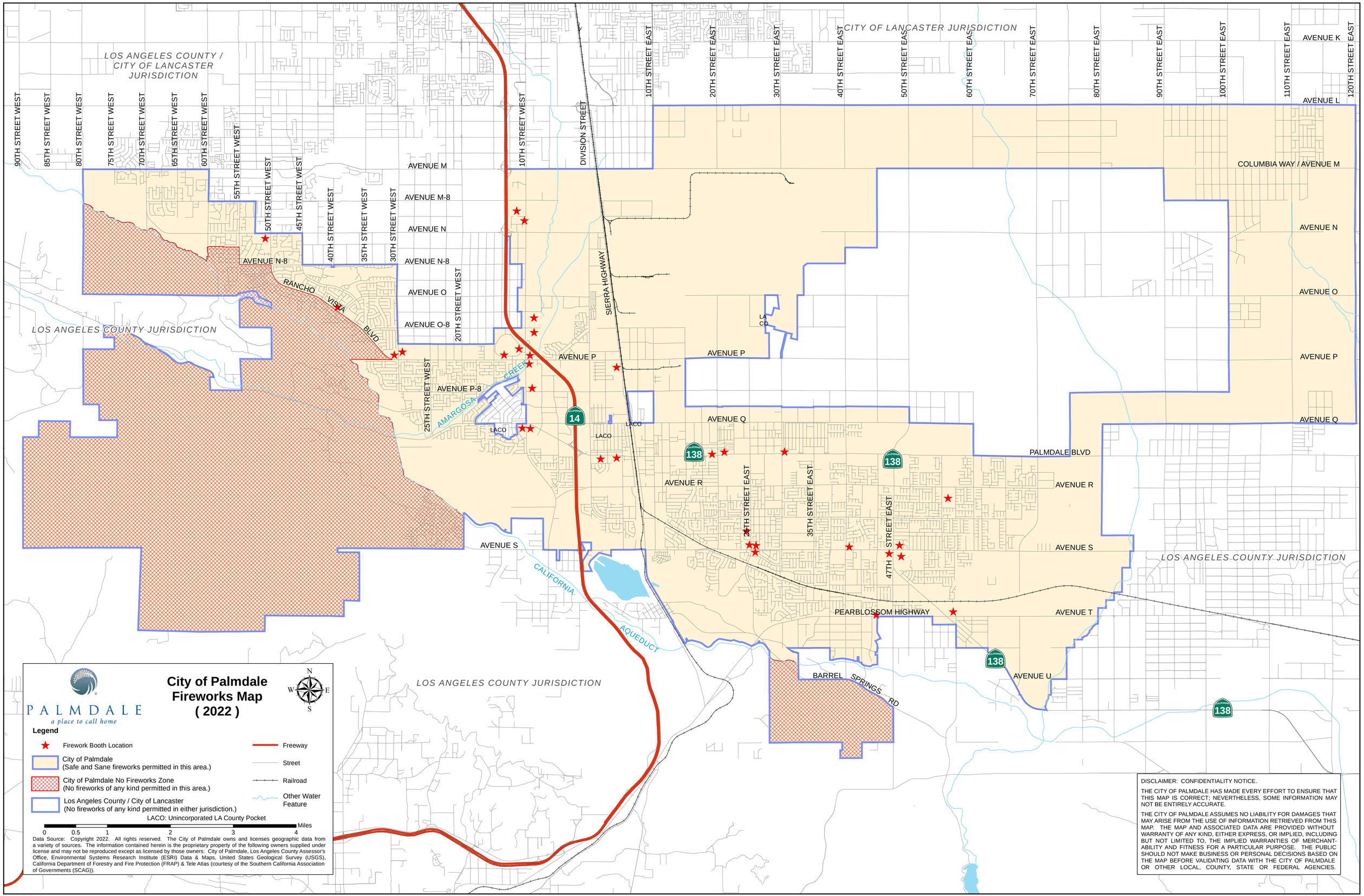
Goal IV: Maintain a desirable community where everyone wants to live, work and play.

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

Prepared by:	Leslie Andrews, Business License Coordinator
Certified as to availability of Funds:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENT:

1. Firework Booth Location Map



05-09-2022_GIS_00124-08

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **NEIGHBORHOOD SERVICES DEPARTMENT**

DISTRICT: **ALL**

SUBJECT: **APPROVE COST-SHARING AGREEMENT BETWEEN THE CITY OF PALMDALE AND THE ANTELOPE VALLEY MALL, LLC/CBRE AND HARRIS AVM, LLC FOR A REIMBURSEMENT AMOUNT OF $120,000 FOR THE THREE (3) YEAR TERM OF THE AGREEMENT**

ISSUE

Approve Cost-Sharing Agreement No. A-7941 between the City of Palmdale and the Antelope Valley Mall, LLC/CBRE and Harris AVM, LLC for a reimbursement amount of $120,000 for the three (3) year term of the agreement.

RECOMMENDATION

Staff recommends that the City Council:

1. Approve agreement No. A-7941, 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 Interim City Manager to execute the agreement and all necessary documents.

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 $38,000 for year one (1) 2022-2023, $40,000 for year two (2) 2023-2024 and $42,000 for year three (3) 2024-2025 towards the costs for the term of this three (3) year agreement with the option to extend for two (2) additional one (1) year terms at an increase of $2,000 for each additional year, for a total of $210,000.

DISCUSSION

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.

FISCAL IMPACT

Reimbursement of $38,000 for year one (1) 2022-2023, $40,000 for year two (2) 2023-2024 and $42,000 for year three (3) 2024-2025 for the term of the agreement for mall property related calls for service. And, if options exercised $44,000 for year four (4) 2025-2026 and $46,000 for year five (5) 2026-2027 for a total of $210,000. Reimbursement of funds will be accounted for in account 1012500-492201.

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:	Heather Nichols, Neighborhood Services Specialist
Certified as to availability of Funds:	Janelle Samson, Finance Manager
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Agreement No. A-7941

AGREEMENT No. A-7941
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 2022, 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, 2022.

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. Term of this agreement is three (3) years from July 1, 2022 through June 30, 2025, with the option to extend agreement for two (2) additional one (1) year terms with a maximum total term of five (5) years. The Mall will reimburse the City as follows, which represents a portion of the cost of the Deputy Sheriffs ("Mall Contribution").:

(1) Year one	July 1, 2022 - June 30, 2023, $38,000 (increase of 5.56%)
(2) Year two	July 1, 2023 - June 30, 2024, $40,000 (increase of 5.26%)
(3) Year three	July 1, 2024 - June 30, 2025, $42,000 (increase of 5.00%)

If exercised, the reimbursement will be at an increase of $2,000 per year.

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 in January each year in accordance with section 4B.

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 of each year.

6. Term of Agreement.

A. Unless sooner terminated as provided for herein, this Agreement shall be effective July 1, 2022 and shall remain in effect until June 30, 2025 with an option for two (2) additional one (1) year terms.

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:

<u>Commercial General Liability</u>
-$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

_____
Ronda Perez Date
Interim 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

MINUTES
CITY COUNCIL
CITY HALL COUNCIL CHAMBER
38300 SIERRA HIGHWAY,
SUITE B
PALMDALE, CALIFORNIA
APRIL 20, 2022

www.cityofpalmdale.org

5:00 PM

1) CALL MEETINGS TO ORDER
Mayor Hofbauer called the meeting to order at 5:00 p.m.

2) ROLL CALL MAYOR HOFBAUER, MAYOR PRO TEM LOA, COUNCILMEMBERS CARRILLO, BISHOP, BETTENCOURT
PRESENT: Steven Hofbauer, Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt.
ABSENT: None.

3) PUBLIC COMMENTS
None.

4) PRESENTATION BY CITY ATTORNEY
City Attorney Beck confirmed the items would be heard as listed.

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

4.2) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: Two.
A point has been reached where, in the opinion of the City on the advice of the City Attorney, based on existing facts and circumstances, there is a significant exposure to litigation against the City. The City believes that the facts and circumstances that might result in litigation against the City are not yet known to a potential plaintiff or plaintiffs.

4.3) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION The existing facts and circumstances that constitute a significant exposure to litigation are detailed in the following claim received by the City, which is available for public inspection pursuant to Government Code Section 54957.5:

Claimant: Michael Behen City
Claim No.: 2022-008
Date Filed: 02/09/22
Date of Loss: Various

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

4.5) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION The existing facts and circumstances that constitute a significant exposure to litigation are detailed in the following claim received by the City, which is available for public inspection pursuant to Government Code Section 54957.5:
Claimant: Patricia Nevarez
City Claim No.: 2022-005
Date Filed:1/27/22
Date of Loss: Various

4.6) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION The existing facts and circumstances that constitute a significant exposure to litigation are detailed in the following claim received by the City, which is available for public inspection pursuant to Government Code Section 54957.5:
Claimant: Shanae Smith City
Claim No.: 2022-005
Date Filed: 1/10/22
Date of Loss: Various

4.7) CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Ricci v. City of Palmdale, et al.Los Angeles County Superior Court Case No. 22STCV01269

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

4.8) CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION CV Communities v. AVEK, et al.Los Angeles County Superior Court Case No. 20STCV10953

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

5) ANNOUNCEMENT BY CITY ATTORNEY
All Councilmembers were present and able to participate in all items.

Item 4.1 Conference with Legal Counsel –Anticipated Litigation/Initiation: Council was provided an update on this matter. There was no further reportable action.

Item 4.2 Conference with Legal Counsel – Anticipated Litigation - Two Cases: Council was provided an update on these matters. There was no further reportable action.

Item 4.3 Conference with Legal Counsel – Anticipated Litigation: Council was provided an update on this matter. There was no further reportable action.

Item 4.4 Conference with Legal Counsel – Anticipated Litigation: This matter was not heard.

Item 4.5 Conference with Legal Counsel – Anticipated Litigation: Council was provided an update on this matter. There was no further reportable action.

Item 4.6 Conference with Legal Counsel – Anticipated Litigation: Council was provided an update on this matter. There was no further reportable action.

Item 4.7 Conference with Legal Counsel – Existing Litigation: Ricci v. City of Palmdale – Council was provided an update on this matter. There was no further reportable action.

Item 4.8 Conference with Legal Counsel – Existing Litigation: CV Communities v. AVEK: Council was provided an update on this matter. There was no further reportable action.

6) ADOURN CLOSED SESSION MEETING
Mayor Hofbauer adjourned the meeting at 7:13 p.m.

7:00 P.M.
Mayor Hofbauer called the meeting to order at 7:15 p.m.

7) PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE IN HONOR OF OUR TROOPS

Christopher, a student of R. Rex Parris High School, led the pledge of allegiance.

8) PRESENTATIONS

8.1) Mayor Hofbauer presented Certificates of Recognition to the students who participated in the Spoken Word / Poetry Slam Project at R. Rex Parris High School.

8.2) Jorge and Vicky Ventura of Ventura Graphix presented checks to the Cesar Chavez Day Essay winners.

9) WAIVER OF FULL READING OF RESOLUTION(S) and ORDINANCE(S)

Motion: Move to waive full reading of the Resolution (s) and/or Ordinance(s) to be considered and voted on at this meeting.
Moved by Austin Bishop, seconded by Juan Carrillo.

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

10) PUBLIC COMMENTS

The following individuals provided public comments:

Rich Gallego, Palmdale Freedom Coalition, thanked the Council for passing the ordinance banning vaccine passports and mandates and stated he was in opposition to a rotating mayor.

Marcos Alvarez expressed his concerns regarding pony baseball in the City of Palmdale.

Jason Zink commented regarding the selection of a rotating mayor, infrastructure funding, election reform, and the Amazon project.

Ruth Sanchez reported on the temporary shelter for families and inquired about the homeless programs in the City of Palmdale.

Alenna Schofield expressed her concerns regarding the Council decision on rotating mayor.

11) CONSENT CALENDAR

11.1) Award Construction Agreement with R.C. Becker and Son, Inc., for PN 780, Avenue Q-12 Sidewalk Gap Closure Project, in the amount of $1,232,882 for a term of 12 months from the date of notice to proceed. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

11.2) Approve Legal Services Agreement Between the City of Palmdale

and Coleman Frost LLP in the amount of $250,000. (Staff Reference: City Attorney Beck)

Motion: Approve all items listed on the Consent Calendar. Moved by Austin Bishop, seconded by Juan Carrillo.
Vote: Motion carried (5-0)
Yes: Steven Hofbauer, Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt.

12) WORKSHOP PRESENTATION

12.1) SiFi presentation and update on the installation of fiber optic cable throughout the City of Palmdale. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

Environmental Resource Manager Lucha introduced the SiFi representatives who provided a detailed PowerPoint presentation to Council. Discussion ensued regarding the groundbreaking and local hire.

12.2) Adopt Resolution No. CC 2022-047, a Resolution of the City Council of the City of Palmdale approving the Five-Year Public Art Work Plan for projects in the City of Palmdale in accordance with Chapter 15.01 of the Palmdale Municipal Code. (Staff Reference: Department of Parks and Recreation Director Smith - Presented by Department of Parks and Recreation Public Art Coordinator Davis)

Director of Parks and Recreation Smith provided a brief overview of the Public Art Work Program. Lisa Sarno, Chair of the Public Art Commission, and Public Art Coordinator Davis presented the five-year Work Plan to receive feedback from Council. Discussion ensued regarding art pieces in the center of roundabouts throughout the City.

Councilmember Carrillo inquired about the temporary structure time length. Public Art Coordinator Davis defined temporary artwork as twenty-four hours to one (1) year sculptures that would rotate on an annual basis. Councilmember Carrillo suggested a prominent sculpture placed at the first roundabout located on 47th Street East. Councilmember Bettencourt expressed concerns regarding the roundabout and safety plans for individuals who would take pictures at the roundabouts.

Mayor Pro Tem Loa inquired about the type of material to be used

for the foghorns on the artwork located on Rancho Vista and the 14 Freeway. Public Art Coordinator Davis confirmed either a steel patina or rusted metal. Mayor Pro Tem Loa also expressed concerns regarding potential theft of artwork. Public Art Coordinator Davis stated they are working with Building and Safety and Engineering to make sure sculptures have the proper type footing and foundation to prevent theft from occurring.

The following individuals provided public comments:

Jason Zink suggested a monument of Mayor Pete Knight.

Alenna Schofield encouraged the engagement of young artists.

Motion: Adopt Resolution No. CC 2022-047.
Moved by Austin Bishop, seconded by Richard J. Loa.

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

13) PUBLIC HEARING

13.1) Public Hearing and review of Proposed Resolution No. CC 2022-031 for adoption. (Staff Reference: Director of Economic and Community Development Garibay - Presented by Eric Norris)

Eric Norris provided a detailed PowerPoint presentation of the Ritter Ranch project appeal.

Mayor Hofbauer opened the Public Hearing.

The following individuals provided public input:

City Clerk Smith announced that she was in receipt of more than fifty letters in opposition and/or support of this item.

Residents of Leona Valley, William Elliott, Peggy Fuller, Sue Vradenburg, Robert Koch, and Jay Bonham shared comments in opposition to the project:

Karl Pearcy commented regarding the roads and traffic of the Ritter Ranch project.

Johnathan Pinson and Jason Zink shared comments in support of the Ritter Ranch project.

Michelle Flanagan, president of Leona Valley Town Council, shared the following regarding the developer promises:

1) The golf course has been set aside and a tentative agreement has been made between the developer and Leona Town Council;
2) There was discussion regarding the need of a fire house;

3) Leona Town Council asked Council for time to finish out the tentative agreement before full approval;

4) A new EIR will be required on any new development past the two existing tracts;

5) The developer will allow input from the Leona Valley Town Council on development; and

6) The developer will provide a buffer zone between Leona Valley and the Ritter Ranch development.

Ramiro Albarran of Preston Hollow Capital communicated the promises made to Leona Valley Town Council related to Phase 1. Including 553 lots, as well as their intention of coming back to the Planning Commission for the remaining balance of 1180 units under the existing specific plan and EIR; an update to the specific plan for the balance of Ritter Ranch that will include input from City Council, City staff and community neighbors.

Mayor Hofbauer called for a break from 9:33 p.m.
The meeting reconvened at 9:44 p.m.

Discussion ensued regarding the traffic studies, fire station, and a sub-station for the Sheriff's Department

Staff read the title of Resolution No. CC 2022-031.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE DENYING APPEAL 22-001 AND UPHOLDING THE PLANNING COMMISSION'S APPROVAL OF CONDITIONAL USE PERMIT 22-001 FOR THE IMPLEMENTATION OF PLANNED DEVELOPMENT DOCUMENT 21-001 AND VESTING TENTATIVE TRACT MAPS 51604, 51605, 51606, 51607, 52093, and 52116

Mayor Hofbauer opened the Public Hearing.

A motion was made and carried unanimously to closed the Public

Hearing.
Motion: Adopt Resolution No. CC 2022-031.
Moved by Juan Carrillo, seconded by Laura Bettencourt.
Vote: Motion carried (4-1)
Yes: Steven Hofbauer, Juan Carrillo, Austin Bishop, Laura Bettencourt.
No: Richard J. Loa.

13.2) Public Hearing and review of Proposed Resolution No. CC 2022-029 for adoption. (Staff Reference: Director of Public Works Heffernan)

Director of Public Works Heffernan read the title of Resolution No. CC 2022-029.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING INTERIM AGREEMENT ASSOCIATED WITH RITTER RANCH MASTER PLANNED COMMUNITY AND COMMUNITY FACILITIES DISTRICT NO. 93-1 (RITTER RANCH) AND ACTIONS REFERENCED TO THEREIN

Mayor Hofbauer opened the Public Hearing.

Jay Bonham spoke in support of removing leverage of the Leona Valley Town Council.

Michelle Flanagan asked for two weeks to put negotiations in writing

Cindy Starrett committed to completing infrastructure.

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

Motion: Adopt Resolution No. CC 2022-029.
Moved by Juan Carrillo, seconded by Laura Bettencourt.

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

14) SPECIAL REPORT

14.1) Measure AV Grant Program Progress Report. (Staff Reference: Director of Parks and Recreation Smith - Presented by Management Analyst Kelley)
This item was tabled to the May 4th regular City Council meeting.

15) NEW BUSINESS

15.1) Discuss retention of firm to conduct nationwide recruitment for the position of City Manager, and direct staff accordingly.
This item was tabled to the May 4, 2022 regular City Council meeting.

15.2) Adopt Resolution No. CC 2022-053, a Resolution of the City Council of Palmdale Authorizing Remote Teleconference Meetings of the City Council and All City Subordinate Bodies for the Period of April 24, 2022 - May 24, 2022. (Staff Reference: City Attorney Beck)
This item was tabled to the May 4, 2022, regular City Council meeting.

16) ADJOURN

Mayor Hofbauer adjourned the meeting at 10:30 p.m. in memory of Diane Shorter.

PASSED, APPROVED, and ADOPTED this 1st day of June 2022.

_____
Steven D. Hofbauer, Mayor

ATTEST:

_____
Shanae S. Smith, City Clerk

MINUTES
CITY COUNCIL/SUCCESSOR AGENCY
CITY HALL COUNCIL CHAMBER
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
MAY 4, 2022

www.cityofpalmdale.org

5:00 P.M.

1) MAYOR TO CALL MEETINGS TO ORDER

Mayor Hofbauer called the meeting to order at 5:04 p.m.

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

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

ABSENT: None.

3) PUBLIC COMMENTS

Alenna Schofield expressed concerns regarding the allocation of Measure AV funds and suggested a needs assessment.

Dave Bowman read Government Code 54950 related to public comments and commented on Measure AV funds used for the law enforcement contract.

Mayor Pro Tem Loa requested the continuation of Item 11.8 Measure AV.

4) PRESENTATION BY CITY ATTORNEY

City Attorney Beck confirmed that all items would be heard as listed.

4.1) This Closed Session is being held pursuant to the authority of California Government Codes Section 54957.

PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL RELEASE

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: City Attorney

This Closed Session is being held pursuant to California Government Code 54957.

APPOINTMENT OF PUBLIC EMPLOYEE

Position: Acting/Interim City Attorney

4.2) CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Ricci v. City of Palmdale, et al. Los Angeles County Superior Court Case No. 22STCV01269
This closed session is being held pursuant to the authority of California Government Code Section 54956.9(d)(1).

4.3) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION The existing facts and circumstances that constitute a significant exposure to litigation are detailed in the following claim received by the City, which is available for public inspection pursuant to Government Code Section 54957.5:
Claimant: Shanae Smith
City Claim No.: 2022-005
Date Filed: 1/10/22
Date of Loss: Various

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

4.5) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION The existing facts and circumstances that constitute a significant exposure to litigation are detailed in the following claim received by the City, which is available for public inspection pursuant to Government Code Section 54957.5:
Claimant: Michael Behen
City Claim No.: 2022-008
Date Filed: 02/09/22
Date of Loss: Various

4.6) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION The existing facts and circumstances that constitute a significant exposure to litigation are detailed in the following claim received by the City, which is available for public inspection pursuant to Government Code Section 54957.5:
Claimant: Patricia Nevarez City
Claim No.: 2022-005
Date Filed: 1/27/22
Date of Loss: Various

4.7) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: One.

4.8) A point has been reached where, in the opinion of the City on the advice of the City Attorney, based on existing facts and circumstances, there is a significant exposure to litigation against the City. The City believes that the facts and circumstances that might result in litigation against the City are not yet known to a potential plaintiff or plaintiffs.

4.9) CONFERENCE WITH LABOR NEGOTIATORS

City representatives: Steve Hofbauer, Mayor

Unrepresented employee: Christopher Beck, City Attorney

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

4.10) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: One.
A point has been reached where, in the opinion of the City on the advice of the City Attorney, based on existing facts and circumstances, there is a significant exposure to litigation against the City. The City believes that the facts and circumstances that might result in litigation against the City are not yet known to a potential plaintiff or plaintiffs.

5) ANNOUNCEMENT BY CITY ATTORNEY

All Councilmembers were present and able to participate in all items.

Item 4.1 Public Employee Discipline/Dismissal, Employee Evaluation and Item 4.9 Labor Negotiations; the labor negotiators were Councilmember Carrillo and Councilmember Bishop; Council heard these items and gave unanimous direction to staff and counsel and directed the item return.

Item 4.2 Public Appointment, Council discussed this item and directed the item back to the next City Council meeting.

Item 4.3 Conference with Legal Counsel – Existing Litigation: Ricci v. City of Palmdale – Council was provided an update on this matter. There was no further reportable action.

Item 4.4 Conference with Legal Counsel – Anticipated Litigation: Council was provided an update on this matter. There was no further reportable action.

Item 4.5 Conference with Legal Counsel – Anticipated Litigation/Initiation: Council was provided an update on this matter and gave unanimous direction staff. There was no further reportable action.

Item 4.6 Conference with Legal Counsel – Anticipated Litigation: Council was provided an update on this matter. There was no further reportable action.

Item 4.7 Conference with Legal Counsel – Anticipated Litigation: Council was provided an update on this matter. There was no further reportable action.

Item 4.8 Conference with Legal Counsel – Anticipated Litigation: Council was provided an update on this matter and provided unanimous direction to staff. There was no further reportable action.

Item 4.10 Conference with Legal Counsel – Anticipated Litigation: Council was provided an update on this matter and provided unanimous direction to staff. There was no further reportable action.

6) ADJOURN CLOSED SESSION MEETING

Mayor Hofbauer adjourned the Closed Session meeting at 7:07 p.m.

7:00 P.M.

Mayor Hofbauer called the meeting to order at 7:08 p.m.

7) PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE IN HONOR OF OUR TROOPS

Abigail Valdez led the pledge of allegiance.

Mayor Hofbauer requested that the Public Hearing be heard after the presentations.

8) PRESENTATIONS

8.1) Mayor Hofbauer presented the cute critter available for adoption at the Palmdale Animal Care Center.

8.2) Mayor Hofbauer presented of a Certificate of Recognition to Abigail Valdez for her dedicated service to the California Rainbow Girls.

8.3) Mayor Hofbauer presented a Proclamation declaring May as Asian Pacific American Heritage Month in the City of Palmdale.

8.4) Mayor Hofbauer presented a Proclamation declaring May as National Melanoma/Skin Cancer Awareness Month in the City of Palmdale.

8.5) Mayor Hofbauer presented a Proclamation to Benjamin Gocke, Palmdale Regional Hospital, declaring May as National American Stroke Month in the City of Palmdale.

Mayor Pro Tem Loa announced May as Mental Health

Awareness month.

9) WAIVER OF FULL READING OF RESOLUTION(S) and ORDINANCE(S)

Motion: Move to 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, Richard J. Loa, Juan Carrillo, Austin Bishop, Laura Bettencourt.

10) PUBLIC COMMENTS

Alenna Schofield congratulated Abigail Valdez on her achievements and expressed her concerns regarding the lack of Black/Asian/Native American representation on the Council.

Dave Bowman expressed his views on the allocation of Measure AV funds.

Dr. Girion, Antelope Valley Hospital, desired to express comments on item 11.8, however, Mayor Hofbauer stated the item was continued to a later date.

Eugene Hernandez encouraged Council to review the Los Angeles County Sheriff's Department contract for services and stated funds are being misused.

Derrick Spiva introduced a youth and young adult program to Council and requested their support. Mayor Hofbauer referred him to Director of Neighborhood Services Miller and the Palmdale School District.

David Harris announced Sound the Alarm in partnership with the American Red Cross would be installing free smoke alarms on Saturday, May 7, 2022.

Ruth Sanchez expressed disappointment regarding the rejection of funding for the Dolores Huerta Foundation.

11) CONSENT CALENDAR

11.1) Receive and file the monthly and quarterly investment activity reports for March 2022. (Staff Reference: Director of Finance Samson)

11.2) Receive and file the Annual Report on Development Impact Fees for Fiscal Year Ended June 30, 2021 and adopt findings to commit funds held in the Littlerock Drainage Fee Fund, Fire Facilities Fund, and the Sewer Upgrade Fund. (Staff

Reference: Director of Finance Samson)

Councilmember Loa pulled this item for discussion and stated the Rancho Vista Park project is overdue.

Motion: Receive and file the Annual Report on Development Impact Fees for Fiscal Year Ended June 30, 2021 and adopt findings to commit funds held in the Littlerock Drainage Fee Fund, Fire Facilities Fund, and the Sewer Upgrade Fund.
Moved by Austin Bishop, seconded by Laura Bettencourt.

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

11.3) Approve the Power Charge Indifference Adjustment Voluntary Allocation of Long-Term Renewable Energy Portfolio from Southern California Edison and authorize the Interim City Manager to Execute the Voluntary Allocation Agreement on behalf of Energy for Palmdale's Independent Choice. (Staff Reference: Director of Finance Samson - Presented by Energy Resource Manager Salt)

11.4) Adopt Resolution No. CC 2022-049, a Resolution of the City Council of the City of Palmdale designating by title and name those officials who are authorized to sign checks and warrants and repeal Resolution No. CC 2021-089.(Staff Reference: Director of Finance Samson)

11.5) Receive and file the Annual Comprehensive Financial Report for the Year Ended June 30, 2021 for the City of Palmdale. (Staff Reference: Director of Finance Samson)

11.6) Approve agreement with NBS Government Finance Group to provide bonded Community Facility District formation services with landowner vote, in an amount not to exceed $91,000 for a two-year term. (Staff Reference: Director of Finance Samson)

11.7) Adopt Resolution No. SA 2022-003 a Resolution of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale designating, by title and name, those officials who are authorized to sign checks and warrants and repealing Resolution No. SA 2021-006. (Staff Reference: Director of Finance Samson)

11.8) Award Measure AV Grant Program Funding, totaling $1,306,810, to grantees in Exhibit A and authorize Interim City Manager to enter into agreements ranging from $2,000 to $250,000. (Staff Reference: Interim City Manager Perez, Deputy Director of Parks and Recreation Dombrowski and Management Analyst Kelley)

This item was heard out of order. Mayor Pro Tem Loa requested that the Measure AV item be tabled to the first meeting in June.

Motion: Substitute motion to hear Item 11.8.
Moved by Juan Carrillo, seconded by Laura Bettencourt.

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

Motion: Move to table item to the meeting on June 1, 2022, City Council meeting.
Moved by Richard J. Loa, seconded by Austin Bishop.
Vote: Motion carried (3-2)
Yes: Steven Hofbauer, Richard J. Loa, Austin Bishop.
No: Juan Carrillo, Laura Bettencourt.

11.9) Adopt Resolution No. CC 2022-037, a Resolution of the City Council of the City of Palmdale directing the preparation of the annual engineer's report for the continuation of the annual levy of assessments and designating the engineer of work for fiscal year 2022/2023 for the City of Palmdale Drainage Benefit Assessment Districts No. 1, and No. 2006-06. (Staff Reference: Director of Public Works Heffernan)

11.10) Adopt Resolution No. CC 2022-038, a Resolution of the City Council of the City of Palmdale directing the preparation of the annual Engineer's Reports for the continuation of the annual levy of assessments and designating the engineer of work for fiscal year 2022/2023 for the City of Palmdale Landscape Maintenance Assessment Districts and Annexations, Park Maintenance and Recreation Improvement District, and Streetlight Maintenance Assessment Districts and Annexations. (Staff Reference: Director of Public Works Heffernan)

11.11) Approve Purchase Order No. 20220444 with National Auto Fleet Group for one (1) Roadline Model GPMT Graffiti Removal Truck in an amount not to exceed $142,236.76; and approve appropriation of $30,000 from Measure AV unappropriated fund balance. (Staff Reference: Director of Public Works Heffernan)

Councilmember Carrillo pulled this item for discussion and stated there is an immediate need for the graffiti vehicle. Discussion ensued.

Motion: Approve Purchase Order No. 20220444 with National Auto Fleet Group for one (1) Roadline Model GPMT Graffiti Removal Truck in an amount not to exceed $142,236.76; and

approve appropriation of $30,000 from Measure AV unappropriated fund balance.
Moved by Juan Carrillo, seconded by Austin Bishop.

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

11.12) Adopt Resolution No. CC 2022-033, a Resolution of the City Council of the City of Palmdale declaring its intention to adjust the maximum assessment of the City of Palmdale Landscape Maintenance Assessment District No. 2020-090. (Staff Reference: Director of Public Works Heffernan)

11.13) Approve Amendment No. 1 for PN 653, the SR-138 (Palmdale Boulevard) Widening Project, with Southern California Regional Rail Authority, in the amount of $171,600. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

11.14) Award agreement with MNS Engineers, Inc. for construction management and inspection services associated with PN 698, Avenue R Complete Streets and Safe Routes Project, in the amount of $708,640 for a term of 700 calendar days from the date of Notice to Proceed. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

11.15) Approve additional funds of $50,000 for Purchase Order No. 20220000 with Walsma Oil Company, Inc. for diesel and unleaded fuel, motor oil, and lubricants in an amount not to exceed $435,000. (Staff Reference: Director of Public Works Heffernan)

11.16) Approve Consultant Agreement with Withers & Sandgren, Ltd. for PN 851, Melville J. Courson Park Revitalization in the amount of $365,000. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

Councilmember Carrillo pulled this item for discussion, commented the amount for the design is excessive, and requested an Request for Proposal (RFP). Deputy Director of Public Works Glidden stated the consultant was in the range of a qualified consultant and reported that she got two rough order magnitudes (ROM) numbers from two consultants.

Motion: Approve Consultant Agreement with Withers & Sandgren, Ltd. for PN 851, Melville J. Courson Park Revitalization in the amount of $365,000.
Moved by Austin Bishop, seconded by Richard J. Loa.

Vote: Motion carried (4-0)
Yes: Steven Hofbauer, Richard J. Loa, Juan Carrillo, Austin Bishop.
Absent: Laura Bettencourt.

11.17) Adopt Resolution Nos 2022-034 and CC 2022-035. (Staff Reference: Director of Public Works Heffernan)

Director of Public Works Heffernan requested that this item be taken out of order.

Resolution No. CC 2022-034, a Resolution of the City Council of the City of Palmdale initiating proceedings for the annexation of territory to the City of Palmdale Streetlight Maintenance Assessment District No. 1, as Annexation 2022-203, describing the proposed improvements to serve said district, and ordering the preparation of the annexation and annual levy report, and

Resolution No. CC 2022-035, a Resolution of the City Council of the City of Palmdale declaring its intention to annex territory into the City of Palmdale Streetlight Maintenance Assessment District No. 1, as Annexation 2022-203, preliminarily approving the annexation and annual levy reports, and setting a time and place for hearing protest.

Motion: Adopt Resolution Nos 2022-034 and CC 2022-035. Moved by Juan Carrillo, seconded by Austin Bishop.

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

11.18) Approve Final Tract Map No. 60732 (located at 20th Street West and Quick Street, south of Avenue P-8). (Staff Reference: Director of Public Works Heffernan)

11.19) Approve the minutes from the previous meetings. (Staff Reference: City Clerk/Agency Secretary Smith)

CC/SA/IDA/PAA/PCA/PFA - March 16, 2022
CC/SA - April 6, 2022
CC - April 12, 2022

Motion: Approve all items listed on the Consent Calendar except for 11.2, 11.8, 11.11, and 11.16.
Moved by Richard J. Loa, seconded by Juan Carrillo.

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

12) APPOINTMENT

12.1) Approve Reappointment to the Board of Library Trustees. (Staff Reference: City Clerk Smith)

Tabled to June 1, 2022 City Council meeting.

12.2) Approve Reappointments of Planning Commissioners to the Planning Commission. (Staff Reference: City Clerk Smith)

Tabled to June 1, 2022 City Council meeting.

12.3) Approve Reappointments of General Plan Advisory Committee Members. (Staff Reference: City Clerk Smith)

Tabled to June 1, 2022 City Council meeting.

12.4) Approve Reappointments to the Mobile Home Park Rental Review Board. (Staff Reference: City Clerk Smith)

Tabled to June 1, 2022 City Council meeting.

13) PUBLIC HEARING

13.1) Public Hearing and Review of Proposed Resolution No. CC 2022-045 for adoption. (Staff Reference: Director of Economic and Community Development Garibay - Presented by Associate Planner Alvarado)

Associate Planner Alvarado read the title of Resolution No. CC 2022-045 and provided a detailed PowerPoint presentation.

RESOLUTION NO. CC 2022-045, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING DENSITY BONUS AGREEMENT 22-001 (A-7830) ASSOCIATED WITH THE CONSTRUCTION OF A 70-UNIT MULTI-FAMILY RESIDENTIAL DEVELOPMENT ON AN APPROXIMATELY FOUR AND A HALF ACRE VACANT PARCEL LOCATED AT THE SOUTHWEST CORNER OF 25TH STREET EAST AND EAST AVENUE Q-4 (APN: 3018-014-074)

Mayor Hofbauer opened the Public Hearing.

The following individuals provided public input:

Marcos Alvarez commented in support of the low-income

housing project on the east side and encouraged Council to include the same type of housing on the westside.

Dave Bowman expressed views in support of the low-income housing project.

Eugene Hernandez expressed concerns regarding the preservation of Joshua Trees.

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

Mayor Hofbauer asked about the schedule for the project. Associate Planner Alvarado confirmed that the agreement itself does not have a set schedule, only approvals on the development.

Mayor Pro Tem Loa inquired regarding the City of Palmdale workforce agreement. The applicant promised to comply with the federal tax credit program, however, the specific of the prevailing wage designation is unknown.

Discussion ensued regarding the timeframe of the project, City of Palmdale workforce agreement, travel distance to units, security, and requirements for a density bonus agreement.

Motion: Adopt Resolution NO. CC 2022-045.
Moved by Juan Carrillo, seconded by Richard J. Loa.

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

13.2) Public Hearing and Review of Proposed Ordinance No.1586 for adoption. (Staff Reference: Director of Economic and Community Development Garibay - Presented by Associate Planner Sauder)

Associated Planner Sauder read the title of Ordinance No. 1586 and provided a detailed PowerPoint presentation. Discussion ensued regarding benefits to the city, location of mining quarries, and road improvements, enforcement of conditions, and fencing.

ORDINANCE NO. 1586, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE CALIFORNIA, AMENDING PALMDALE MUNICIPAL CODE SECTION 17.72.100 TO REDUCE SETBACK REQUIREMENTS IN THE

QUARRY RECLAMATION ZONE

A motion was made and carried to introduce Ordinance No. 1586 with Councilmember Bishop absent.

Mayor Hofbauer opened the Public Hearing.

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

Councilmember Bettencourt inquired about the completion of road improvements. A representative from Hi-Grade provided Council with an explanation for the incomplete road improvements.

Motion: Adopt Ordinance No. 1586.
Moved by Austin Bishop, seconded by Richard J. Loa.

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

13.3) Public Hearing and Review of Proposed Resolution No. CC 2022-048 and Ordinance No. 1585 for adoption. (Staff Reference: Director of Economic and Community Development Garibay - Presented by Associate Planner Alvarado)

Associate Planner Alvarado read the title for Resolution No. CC 2022-048 and Ordinance No. 1585 and provided a PowerPoint presentation to Council

RESOLUTION NO. CC 2022-048, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING A GENERAL PLAN AMENDMENT TO AMEND THE LAND USE DESIGNATION FROM MR (MEDIUM RESIDENTIAL, 6.1-10 DWELLING UNITS PER ACRE) TO RC (REGIONAL COMMERCIAL) / PF (PUBLIC FACILITIES) FOR THREE CONTIGUOUS PARCELS TOTALING APPROXIMATELY FIVE ACRES LOCATED ADJACENT TO PEARBLOSSOM HIGHWAY AND APPROXIMATELY 1,700 FEET WEST OF FORT TEJON ROAD / STATE ROUTE 138 (GPA 21-002); AND AMEND THE LAND USE DESIGNATION FROM SFR-3 (SINGLE FAMILY RESIDENTIAL, 3.1-6 DWELLING UNITS PER ACRE) TO MR (MEDIUM RESIDENTIAL, 6.1-10 DWELLING UNITS PER ACRE) FOR TWO CONTIGUOUS PARCELS TOTALING APPROXIMATELY FOUR ACRES LOCATED ON THE SOUTHWEST CORNER OF EAST AVENUE R AND 20TH STREET EAST (GPA 22-002)

ORDINANCE NO. 1585, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING A ZONE CHANGE FROM R-2 (MEDIUM RESIDENTIAL) TO C-4 (COMMERCIAL CENTER) / PF (PUBLIC FACILITIES) FOR THREE CONTIGUOUS PARCELS TOTALING APPROXIMATELY FIVE ACRES LOCATED ADJACENT TO PEARBLOSSOM HIGHWAY AND APPROXIMATELY 1,700 FEET WEST OF FORT TEJON ROAD / STATE ROUTE 138 (ZC 21-001); AND A ZONE CHANGE FROM R-1-7,000 (SINGLE-FAMILY RESIDENTIAL, MINIMUM LOT SIZE OF 7,000 SQUARE FEET) TO R-2 (MEDIUM RESIDENTIAL) FOR TWO CONTIGUOUS PARCELS TOTALING APPROXIMATELY FOUR ACRES LOCATED ON THE SOUTHWEST CORNER OF EAST AVENUE R AND 20TH STREET EAST (ZC 21-003)

A motion was made and carried unanimously to introduce Ordinance No. 1585.

Mayor Hofbauer opened the Public Hearing.

Dave Bowman inquired and expressed concerns regarding the public noticing for the hearing item. Mayor Hofbauer confirmed the item was noticed properly.

A motion was made and carried to close the Public Hearing with Councilmember Bettencourt absent.

Motion: Adopt Resolution No. CC 2022-048 and Ordinance No. 1585.

Moved by Richard J. Loa, seconded by Austin Bishop.

Vote: Motion carried (4-0)
Yes: Steven Hofbauer, Richard J. Loa, Juan Carrillo, Austin Bishop.
Absent: Laura Bettencourt.

13.4) Public Hearing and Review of Proposed Resolution No. CC 2022-052 for adoption. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

Environmental Resource Manager Lucha read the title of Resolution No. CC 2022-052 and provided an overview of the project.

RESOLUTION NO. CC 2022-052, A RESOLUTION OF THE

CITY COUNCIL OF THE CITY OF PALMDALE AUTHORIZING THE INTERIM CITY MANAGER AND CITY ATTORNEY TO NEGOTIATE AND FINALIZE A FACILITY SOLUTIONS MASTER AGREEMENT AND A OPERATIONS & MAINTENANCE AGREEMENT WITH SITELOGIQ, INC. FOR THE THE MCADAM PARK SOLAR AND BATTERY STORAGE PROJECT.

Mayor Hofbauer opened the Public Hearing.

Marcos Alvarez and Dave Bowman expressed their concerns regarding the baseball fields at McAdams Park.

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

Motion: Adopt Resolution No. CC 2022-052.
Moved by Richard J. Loa, seconded by Juan Carrillo.

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

13.5) Public Hearing and Review of Proposed Resolution No. CC 2022-036 for adoption. (Staff Reference: Director of Public Works Heffernan)

Director of Public Works Heffernan requested that item 11.17 be heard before item 13.5 and read the title of Resolution No. CC 2022-036.

RESOLUTION NO. CC 2022-036, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE CONFIRMING THE BALLOT RESULTS TO DETERMINE THAT NO MAJORITY PROTEST EXISTS IN THE PROCEDINGS, AND ORDERING THE ANNEXATION OF CERTAIN TERRITYORY INTO THE CITY OF PALMDALE STREETLIGHT MAINTENANCE ASSESSMENT DISTRICT NO. 1, AS ANNEXATION 2022-203.

Mayor Hofbauer opened the Public Hearing.

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

City Clerk Smith opened the ballot and stated the district carried.

Motion: Adopt Resolution No. CC 2022-036.

Moved by Richard J. Loa, seconded by Laura Bettencourt.

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

13.6) Public Hearing to hear public comments on the Draft 2022-2023 Action Plan and proposed expenditure of Consolidated Plan funds; Review and approve the 2022-2023 Action Plan; and Authorize the City Manager or their designee to make necessary changes and submit the 2022-2023 Action Plan, execute documents related to the submission of the Action Plan and agreements for Sub-Recipients and the Fair Housing Provider. (Staff Reference: Director of Neighborhood Services Miller- Presented by Housing Manager Reyes)

Motion: Move to table to May 18, 2022 City Council meeting.
Moved by Austin Bishop, seconded by Juan Carrillo.

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

13.7) Public Hearing to hear public comments on the Draft HOME-ARP Allocation Plan and the proposed expenditure of HOME Investment Partnerships Program American Rescue Plan (HOME-ARP) funds; Review and approve the HOME-ARP Allocation Plan; and Authorize the City Manager or his designee to make necessary changes and submit the HOME-ARP Allocation Plan, execute documents related to the submission of the HOME-ARP Allocation Plan. (Staff Reference: Director of Neighborhood Services Miller - Presented by Housing Manager Reyes)

Motion: Move to table to May 18, 2022, City Council meeting.
Moved by Austin Bishop, seconded by Juan Carrillo.

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

13.8) Public Hearing and Review of Proposed Ordinance No. 1587 for adoption. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

Environmental Resource Manager Lucha provided a brief overview of the staff report and read the title of Ordinance No.

1587. He also informed Council if the ordinance is not passed the city will not qualify for grants and can also be fined up to $10,000 per day.

ORDINANCE NO. 1587, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE AMENDING CHAPTER 5.52 (SOLID WASTE HANDLING AND RECYCLING SERVICES) OF TITLE 5 (BUSINESS LICENSES, TAXES, AND REGULATION) OF THE PALMDALE MUNICIPAL CODE IMPLEMENTING ORGANIC WASTE DIVERSION REGULATIONS

A motion was made and carried unanimously to introduce Ordinance No. 1587.

Mayor Hofbauer opened the Public Hearing.

Marcos Alvarez commented in support of the adoption of Ordinance No. 1587.

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

Motion: Adopt Ordinance No. 1587.
Moved by Richard J. Loa, seconded by Laura Bettencourt.

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

13.9) Public Hearing and Review of Proposed Resolution No. CC 2022-046 for adoption. (Staff Reference: Director of Public Works Heffernan - Presented by Deputy Director of Public Works Glidden)

Environmental Resource Manager Lucha read the title of Resolution No. CC 2022-046 and provided a brief overview of the staff report.

RESOLUTION NO. CC 2022-046, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE AUTHORIZING THE INTERIM CITY MANAGER AND CITY ATTORNEY TO NEGOTIATE AND EXECUTE AN ORGANIC FEEDSTOCK DISPOSAL AGREEMENT WITH HZI LANCASTER, LLC.

Mayor Hofbauer opened the Public Hearing.

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

Mr. Lex Heslin, Hitachi Zosen Inova (HZI), addressed the uniqueness of the project and its compliance with SB1383. Council commented in support of the project.

Motion: Adopt Resolution No. CC 2022-046.
Moved by Richard J. Loa, seconded by Juan Carrillo.

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

13.10) Adopt Resolution No. CC 2022-050, a Resolution of the City Council of the City of Palmdale approving the issuance of Revenue Bonds by the California Municipal Finance Authority in an Aggregate Principle amount not to exceed $15,000,000 to finance and refinance a 48-unit multifamily housing facility for the benefit of 9th Street E. Housing, LP, A California limited partnership, or another entity to be created by Milare Housing Investments, Inc. (or and affiliate), and certain other matters relating thereto. (Staff Reference: Director of Finance Samson)

Director of Finance Samson read the title of Resolution No. CC 2022-050 and provided a brief overview of the staff report.

Mayor Hofbauer opened the Public Hearing.

Dave Bowman commented on the community workforce agreement eliminating poverty.

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

Motion: Adopt Resolution No. CC 2022-050.
Moved by Richard J. Loa, seconded by Austin Bishop.

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

13.11) Adopt Resolution No. CC 2022-051, a Resolution of the City of Palmdale approving the issuance of revenue bonds by the California Municipal Finance Authority in an aggregate principal amount not to exceed $25,000,000 to finance and refinance a 70-unit multifamily housing facility for the benefit of a limited partnership or another entity to be created by

Newport Partners, LLC. (or an affiliate), and certain other matters relating there to. (Staff Reference: Director of Finance Samson)

Director of Finance Samson read the title of Resolution No. CC 2022-051.

Mayor Hofbauer opened the Public Hearing.

Dave Bowman suggested Council explain the process for issuing bonds by the California Municipal Finance Authority. Council explained that the City of Palmdale is not financing the project, only providing a public forum for announcing the issuance of bonds.

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

Motion: Adopt Resolution No. CC 2022-051.
Moved by Austin Bishop, seconded by Juan Carrillo.

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

14) NEW BUSINESS

14.1) Discuss retention of firm to conduct nationwide recruitment for the position of City Manager, and direct staff accordingly.

Discussion ensued regarding staff issues and stability.

Motion: Move to table to first meeting in January 2023 after the November 8, 2022 General Election.

Moved by Juan Carrillo, seconded by Richard J. Loa.

Vote: Motion carried (4-0)
Yes: Steven Hofbauer, Richard J. Loa, Juan Carrillo, Austin Bishop.

Absent: Laura Bettencourt.

14.2) Discuss a potential amendment to the Palmdale Municipal Code (Chapter 2.08.040) regarding regular meeting, date, time, place, and provide direction to staff. (Staff Reference: City Attorney Beck)

Tabled to June 1, 2022 City Council meeting.

14.3) A Resolution of the City Council of the City of Palmdale Authorizing Remote Teleconferencing Meetings of the City

Council and All City Subordinate Bodies for the Period of May 4, 2022 - June 3, 2022. (Staff Reference: City Attorney Beck)

Tabled to June 1, 2022 City Council meeting.

15) INFORMATIONAL REPORT FROM MAYOR AND / OR COUNCILMEMBERS ON THEIR VARIOUS COMMITTEE MEMBERSHIPS AND MEETINGS ATTENDED AT PUBLIC EXPENSE

15.1) COMMITTEE MEMBERSHIPS.

This item was not heard.

15.2) MEETINGS ATTENDED AT PUBLIC EXPENSE

This item was not heard.

16) CITY MANAGER'S REPORT

This item was not heard.

17) CITY COUNCIL REQUESTS FOR NEW AGENDA ITEMS

18) Adjournment

Mayor Hofbauer adjourned the meeting at 10:15 p.m. to May 18, 2022, at 7:00 p.m. in the City Hall Council Chamber located at 38300 Sierra Highway, Suite B, Palmdale, California.

_____
Steven D. Hofbauer, Mayor

ATTEST:

_____
Shanae S. Smith, City Clerk

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **NEIGHBORHOOD SERVICES DEPARTMENT**
HOUSING DIVISION

DISTRICT: **ALL**

SUBJECT: **PUBLIC HEARING TO HEAR PUBLIC COMMENTS AND REVIEW PROPOSAL TO AMEND THE 2019-2020 ACTION PLAN TO REPROGRAM COMMUNITY DEVELOPMENT BLOCK GRANT COVID (CDBG-CV) FUNDS IN THE AMOUNT OF $207,510 FROM THE ECONOMIC OPPORTUNITY PROGRAM CV AND $23,990 FROM THE MORTGAGE ASSISTANCE CDBG CV TO SAVES CV IN THE AMOUNT OF $231,500**

ISSUE

Public Hearing to hear public comments and review proposal to amend the 2019-2020 Action Plan; Review and approve the amendment to the 2019-2020 Action Plan; and Authorize the City Manager or their designee to execute documents necessary to amend said Action Plan and obtain HUD approval, and agreements for Sub-Recipients.

RECOMMENDATION

Staff recommends that the City Council:

1. Open a public hearing to receive public comments on the proposal to amend the 2019-2020 Action Plan for the CDBG-CV reallocating from the Economic Opportunities Programs CV and Mortgage Assistance Program CV to SAVES CV; and
2. Direct staff to incorporate the public comments into the amended 2019-2020 Action Plan;
3. Authorize the City Manager or their designee to make necessary changes and submit the amendment to HUD, execute documents related to amend the Action Plan and agreements for Sub-Recipients.

BACKGROUND

The City received special allocations of funding from the U.S. Department of Housing and Urban Development (HUD) under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, enacted on March 27, 2020, to be used to exclusively on eligible activities that prevent and respond to the COVID-19 pandemic.

Funding was allocated to eligible activities including South Antelope Valley Emergency Services, Business Public Service, Economic Opportunity Programs, Mortgage Assistance and Administration of the grant funding.

DISCUSSION

South Antelope Valley Emergency Services (SAVES) has continued to provide increased services to the community since the COVID emergency was initiated. Currently SAVES is providing 1,000 to 1,800 food orders weekly. These numbers are anticipated to increase during the summer months. Due to the high level of service being provided by SAVES for a period of time longer than anticipated when funding was initially provided, SAVES is requesting an increase of funding of $231,500 from $367,500 to $599,000.

The City assisted 11 low- and moderate-income microenterprise businesses with the Economic Opportunity Program CV and 40 low- and moderate-income households with Mortgage Assistance. The Economic Opportunity Program CV ended due to the difficulty that local businesses had to meet all of the qualifying criteria needed to satisfy CDBG fund requirements. In addition, local businesses preferred to apply for other business grant and loan programs that had fewer restrictions and provided much more flexibility on how the funds could be used by the business. The Mortgage Assistance CDBG CV Program will continue working with households on the program waiting list. Reprogramming of funds to SAVES is proposed from the Economic Opportunity Program CV and Mortgage Assistance Program CDBG CV, as outlined in the Fiscal Impact Section of this staff report.

In compliance with the City's approved Citizen Participation Plan and Implementing Regulation 24 CFR 91.105, a Public Notice was published in the Antelope Valley Press on May 26, 2022, to inform residents of the reprogramming of CDBG CV funds in the 2019-2020 Action Plan for review and comments. Citizens were advised that copies of the aforementioned documents were available for review on the City's website from May 26, 2022, to June 1, 2022, an d the documents would be available in hardcopy format at the Neighborhood Services Department office, the Palmdale Public Library, and the Administration Building.

The public notice invited citizens to provide written comments to the Housing staff at the Department of Neighborhood Services, 38250 Sierra Highway, Palmdale, CA 93550 or via email to housingdivision@cityofpalmdale.org before 5:00 p.m. on June 1, 2022, and also during the public hearing on June 1, 2022 beginning at 7:00 p.m. at the City Council meeting in Council Chambers located at 38300 Sierra Highway, Suite B, Palmdale, CA 93550. The public notice also invited citizens to submit comments in advance of the meeting utilizing the City's eComment tool located at https://cityofpalmdale.org/310/City-Council-Meetings. Click on "eComment" next to the meeting Agenda once available.

FISCAL IMPACT

Reprogram and transfer funds from:

28020002-737400-6102	Economic Opportunity Programs CV	$207,510
28020002-737400-6103	Mortgage Assistance CDBG CV	$ 23,990

Reprogram and transfer funds to:

28020002-737400-6100	SAVES CDBG CV	$231,500

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:	Sophia Reyes, Housing Manager
Certified as to availability of Funds:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

City Council Staff Report

DATE: **JUEN 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **OFFICE OF THE CITY MANAGER**
CITY CLERK DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE NOMINATION FOR REAPPOINTMENT TO THE BOARD OF LIBRARY TRUSTEES**

ISSUE

Approve nomination for reappointment to the Board of Library Trustees.

RECOMMENDATION

Pursuant to Ordinance No. 1561, staff recommends the following nomination for reappointment to the Board of Library Trustees:

1. Reappoint the following individual to serve as Board of Library Trustee for a three-year term to expire on June 30, 2025.

1. Alan Henkin

BACKGROUND

The Library Board is made up of five (5) members, who are nominated by Mayor Hofbauer and approved by the City Council. The Board of Library Trustees operates under the Education Code and serve a three-year term and must be a resident of the City of Palmdale.

DISCUSSION

On June 30, 2022, one (1) Board of Library Trustee position is set to expire, and a vacant seat has become available due to the resignation of long-standing Trustee, President Pro Tem John Manning. A recruitment process has been initiated to fill the vacancy.

Trustee Alan Henkin had provided the City Clerk with written confirmation, expressing his intent to continue serving the City Council for a new term three-year term, set to expire on June 30, 2025.

FISCAL IMPACT

There is no fiscal impact associated with this item.

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 S. Smith, City Clerk
Certified as to availability of Funds:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

1. Ordinance No. 1561

CITY OF PALMDALE
COUNTY OF LOS ANGELES, CALIFORNIA
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

WHEREAS, On July 2, 2008, the City Council passed and adopted Ordinance No. 1357 that amended Section 2.08 of the Palmdale Municipal Code (PMC).

WHEREAS, PMC Section 2.08.030 governs the manner in which appointments are made to boards and commissions of the City Council.

WHEREAS, The method and manner of appointments pursuant to the amended PMC 2.08.030 is such that the mayor is responsible for all appointments to said boards and commissions, with ratification by the City Council.

WHEREAS, Under the PMC 2.08.030, the mayor is to nominate all persons to boards and commissions, and there is no 'second' required for such nomination.

WHEREAS, Under the PMC 2.08.030, city council members do not have the ability to nominate persons to boards and commissions.

THE CITY COUNCIL OF THE CITY OF PALMDALE DOES ORDAIN AS FOLLOWS:

SECTION 1. Amend Palmdale Municipal Code Section 2.08.030 Repeal and replace Palmdale Municipal Code Section 2.08.030 to read as follows:

PMC 2.08.030: Appointments to Boards, Commissions, and Committees

Unless otherwise specifically provided in this code or by State Law, the City Council shall make all appointments to boards, commissions and committees of the City as follows unless otherwise formed by Resolution:

A. City Council boards, commissions and committees shall consist of a minimum of five members, of whom shall be nominated by each City Councilmember and the Mayor, subject to approval by the City Council for appointment. All members shall be voting members of the board, commission, or committee. No member shall be a member of the City Council. It is preferable that City Councilmember's appointee reside within the Councilmember's district, however, is not required when subject matter expertise is desirable. The Mayor may nominate an individual that represents the City at large whom may reside in any district. Members 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.

B. All board and commission vacancies shall be advertised, seeking volunteers willing and desiring to be appointed to fill such vacancies. Any person seeking to be so appointed must complete and submit the city ~~volunteer~~ application, together with any other information requested by the City Council as appropriate for a specific board or commission.

C. All such applications shall be provided to the Mayor and City Council for review, who shall, at a regularly scheduled City Council meeting, nominate, from among such applicants, the persons whom the Mayor and a City Councilmember desires to appoint by making a motion ~~which need not be seconded,~~ for each such appointment.

D. If the nomination by the Mayor and City Councilmember is approved by a majority vote of the City Council, the nominating City Councilmember may then proceed to appoint the person to the board or commission under consideration.

E. If the specific nomination by the Mayor and/or City Councilmember is not approved by a majority vote of the City Council, the City Council will nominate, by motion, a different candidate until someone is approved by majority vote of the City Council for the position under consideration.

F. All members of boards, commissions and committees serve at the pleasure of the City Council and are subject to removal by a majority vote of the City Council.

SECTION 2. 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 3. The City Council finds the approval of this ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly. Alternatively, the City Council finds the approval of this ordinance is not a project under CEQA Regulation Section 15061 (b)(3) because it has no potential for causing a significant effect on the environment.

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 2nd day of March 2021

Steven D. Hofbauer, Mayor

Approved as to form:

Christopher Beck
City Attorney

ATTEST:

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 2nd day of March, 2021 effective on the 1st day of April, 2021 by the following roll call vote:

AYES: Bettencourt, Carrillo, Loa, Bishop

NOES: Hobauer

ABSTAIN: None ABSENT: None

Date: 3/18/2021

Shanae S. Smith, City Clerk

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER DEPARTMENT**
CITY CLERK DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE REAPPOINTMENTS OF PLANNING COMMISSIONERS TO THE PLANNING COMMISSION**

ISSUE

Approve nominations for reappointments to the Planning Commission.

RECOMMENDATION

Staff recommends pursuant to Palmdale Municipal Code Section 2.46.030 that the City Council ratify nominations for three (3) reappointments to the Planning Commission as follows:

1. Approve reappointment of the following individual nominated by Councilmember Austin Bishop to serve as Commissioner (District 1) on the Planning Commission for a new two-year term set to expire on June 30, 2024.

1. Christine Fraga-Saenz

2. Approve reappointment of the following individual nominated by Mayor Pro Tem Richard Loa to serve as the Commissioner (District 2) on the Planning Commission for a new two-year term set to expire on June 30, 2024.

1. Dean Henderson

3. Approve reappointment of the following individual nominated by Councilmember Juan Carrillo to serve as the Commissioner (District 4) on the Planning Commission for a new two-year term set to expire on June 30, 2024.

1. V. Jesse Smith

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

The terms of current Districts, 1, 2, and 4 Planning Commissioners, Christine Fraga-Saenz, Dean Henderson and V. Jesse Smith are set to expire on June 30, 2022. Each Commissioner have provided the City Clerk with written confirmation, expressing their intent to continue serving the City Council for a new term two-year term set to expire on June 30, 2024.

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 S. Smith, City Clerk
Certified as to availability of Funds:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS

None.

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER DEPARTMENT**
CITY CLERK DIVISION

DISTRICT: **ALL**

SUBJECT: **APPROVE NOMINATIONS FOR REAPPOINTMENT TO THE MOBILE HOME PARK RENTAL REVIEW BOARD**

ISSUE

Approve nominations for reappointment to the Mobile Home Park Rental Review Board.

RECOMMENDATION

Pursuant to Ordinance No. 1561, staff recommends the following:

1. Approve reappointment of Debra Foley to serve as Board Member on the Mobile Home Park Rental Review Board for a new two-year term set to expire on June 30, 2024.
2. Approve reappointment of Diana Love to serve as Board Member on the Mobile Home Park Rental Review Board for a new two-year term set to expire on June 30, 2024.

BACKGROUND

The Mobile Home Park Rental Review Board ("Board") consists of five (5) members. No member of the Board shall be a resident or owner of a mobile home park or an employee of a park owner; and no member shall have a financial interest (as defined by state law) in any mobile home or mobile home park, or have a parent, child, spouse or sibling with any such financial interest. Prior to his/her appointment to the Board, each member shall file a declaration to this effect with the City Clerk. As defined in Palmdale Municipal Code Section 5.44.030, Board members must have an ability to attend meetings, and have a basic knowledge of the guidelines of the Mobile Home Space Rent Control, Section 5.44 of the Palmdale Municipal Code. Applicants should also possess a fundamental knowledge of business accounting (receivables, depreciation, capital expenditures, profit, and loss statements, etc.). All members shall be residents of the City. All members of the Board serve at the pleasure of the City Council, and any member may be removed, with or without cause, by a majority vote of the City Council. Board members serve a two-year term.

DISCUSSION

Terms of the current Mobile Home Park Rental Review Board Members, Debra Foley and Diana Love are set to expire on June 30, 2022. Both Members have provided the City Clerk with written confirmation, expressing their intent to continue serving the City Council in this capacity for a new term two-year term set to expire on June 30, 2024.

FISCAL IMPACT

Board members receive $100 per meeting and the Chair receives $150 per meeting.

STRATEGIC PLAN

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

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

Prepared by:	Shanae Smith, City Clerk
Certified as to availability of Funds:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Christopher Beck, City Attorney

ATTACHMENTS:

1. Ordinance No. 1561

CITY OF PALMDALE
COUNTY OF LOS ANGELES, CALIFORNIA
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

WHEREAS, On July 2, 2008, the City Council passed and adopted Ordinance No. 1357 that amended Section 2.08 of the Palmdale Municipal Code (PMC).

WHEREAS, PMC Section 2.08.030 governs the manner in which appointments are made to boards and commissions of the City Council.

WHEREAS, The method and manner of appointments pursuant to the amended PMC 2.08.030 is such that the mayor is responsible for all appointments to said boards and commissions, with ratification by the City Council.

WHEREAS, Under the PMC 2.08.030, the mayor is to nominate all persons to boards and commissions, and there is no 'second' required for such nomination.

WHEREAS, Under the PMC 2.08.030, city council members do not have the ability to nominate persons to boards and commissions.

THE CITY COUNCIL OF THE CITY OF PALMDALE DOES ORDAIN AS FOLLOWS:

SECTION 1. Amend Palmdale Municipal Code Section 2.08.030 Repeal and replace Palmdale Municipal Code Section 2.08.030 to read as follows:

PMC 2.08.030: Appointments to Boards, Commissions, and Committees

Unless otherwise specifically provided in this code or by State Law, the City Council shall make all appointments to boards, commissions and committees of the City as follows unless otherwise formed by Resolution:

A. City Council boards, commissions and committees shall consist of a minimum of five members, of whom shall be nominated by each City Councilmember and the Mayor, subject to approval by the City Council for appointment. All members shall be voting members of the board, commission, or committee. No member shall be a member of the City Council. It is preferable that City Councilmember's appointee reside within the Councilmember's district, however, is not required when subject matter expertise is desirable. The Mayor may nominate an individual that represents the City at large whom may reside in any district. Members 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.

B. All board and commission vacancies shall be advertised, seeking volunteers willing and desiring to be appointed to fill such vacancies. Any person seeking to be so appointed must complete and submit the city ~~volunteer~~ application, together with any other information requested by the City Council as appropriate for a specific board or commission.

C. All such applications shall be provided to the Mayor and City Council for review, who shall, at a regularly scheduled City Council meeting, nominate, from among such applicants, the persons whom the Mayor and a City Councilmember desires to appoint by making a motion ~~which need not be seconded,~~ for each such appointment.

D. If the nomination by the Mayor and City Councilmember is approved by a majority vote of the City Council, the nominating City Councilmember may then proceed to appoint the person to the board or commission under consideration.

E. If the specific nomination by the Mayor and/or City Councilmember is not approved by a majority vote of the City Council, the City Council will nominate, by motion, a different candidate until someone is approved by majority vote of the City Council for the position under consideration.

F. All members of boards, commissions and committees serve at the pleasure of the City Council and are subject to removal by a majority vote of the City Council.

SECTION 2. 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 3. The City Council finds the approval of this ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly. Alternatively, the City Council finds the approval of this ordinance is not a project under CEQA Regulation Section 15061 (b)(3) because it has no potential for causing a significant effect on the environment.

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 2nd day of March 2021

Steven D. Hofbauer, Mayor

Approved as to form:

Christopher Beck
City Attorney

ATTEST:

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 2nd day of March, 2021 effective on the 1st day of April, 2021 by the following roll call vote:

AYES: Bettencourt, Carrillo, Loa, Bishop

NOES: Hobauer

ABSTAIN: None ABSENT: None

Date: 3/18/2021

Shanae S. Smith, City Clerk

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER DEPARTMENT**

DISTRICT: **ALL**

SUBJECT: **AWARD MEASURE AV GRANT PROGRAM FUNDING, TOTALING $1,306,810, TO GRANTEES IN EXHIBIT A AND AUTHORIZE INTERIM CITY MANAGER TO ENTER INTO AGREEMENTS RANGING FROM $2,000 TO $250,000.**

ISSUE

Award Measure AV Grant Program funding, totaling $1,306,810, to grantees in Exhibit A and authorize the Interim City Manager to enter into agreements ranging from $2,000 to $250,000.

RECOMMENDATION

Staff recommends that the City Council:

1. Award Measure AV Grant Program funding, totaling $1,306,810, to grantees in Exhibit A and authorize the Interim City Manager to enter into agreements ranging from $2,000 to $250,000.

BACKGROUND

In November 2020, voters in the City of Palmdale passed a local ¾ cent sales tax generating revenue to:

- Maintain 911 emergency response times;
- Keep public parks open, safe and clean;
- Repair streets and potholes;
- Retain and recruit local businesses through economic development initiatives to ensure the City's long-term financial stability;
- Support community policing, activities for at-risk youth and mental health efforts to help keep our community safe for everyone;
- Address homelessness;
- Support services for local military veterans and seniors;
- Upgrade emergency communications and improve emergency preparedness;
- Partner with faith communities, non-profits, and local youth sports programs; and,
- Protect water resources.

On December 15th, 2021, the City Council adopted adjustments to the Measure AV Fiscal Year 2022 budget to include revised revenue projections and approving a new appropriation for the Measure AV Grant Program, totaling $1,500,000. The remaining Measure AV funds

are appropriated for budgeted projects, programs, and/or services. The Measure AV Committee also received and filed a recommendation on new grant program funding on January 26, 2022.

The City of Palmdale launched the first Measure AV Grant Program in January 2022 after approving funds, totaling $1,500,000. The funding opportunities are intended for small business, nonprofits, and other eligible agencies, that help address critical issues and meet Measure AV funding criteria set by voters. Eligible programs and services for this round include local military veterans, at-risk youth, mental health, food and shelter services, community-based policing, and crime prevention.

DISCUSSION

On January 10, 2022, online applications were made available to community organizations for the Measure AV Grant Program. A virtual workshop was held on January 13, to inform potential applicants on the submission process and to participate in a Q&A session; 80 organizations were in attendance. Eighty-four (84) applications were received, totaling $5,560,000.

All applications were assessed by an initial eligibility review committee that determined if all program and documentation requirements were met. Applicants who met program and documentation requirements continued to the second review committee. Each committee member evaluated applications individually and then met to determine a group consensus score, based on of the following criteria:

EVALUATION CRITERIA	POINTS
Organization Location	5
Services & Recipients	20
Organizational Accomplishments	10
Community Partnerships	10
Palmdale Community Benefit	30
Measurements & Outcomes	25
Total Possible Points	**100**

Upon final review of all eligible applications, twenty-nine (29) projects are recommended for funding, totaling $1,306,810 (see Exhibit A - Recommended Awardee List). The remaining funds will be available for either successful appeals or will be used towards future grant programs.

The applications recommended for funding in Exhibit A were presented to the Measure AV Oversight Committee on April 27. Staff reviewed the recommended awardee list and the Committee received and filed this item.

FISCAL IMPACT

$1,500,000; grant program funds are budgeted as part of the overall fiscal year 21/22 Measure AV budget in account 15711001-737325.

STRATEGIC PLAN

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

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

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

A. Support opportunities to celebrate rich traditions and diverse cultures in the community.
D. Develop and maintain diverse programs and events that inspire growth, pride, and lifelong learning.

Prepared by:	Eric Dombrowski, Deputy Director of Parks & Recreation
Presented by:	Jordyn Kelley, Management Analyst
Certified as to availability of Funds:	Janelle Samson, Director of Finance
Approved by:	Ronda Perez, Interim City Manager
Approved as to form:	Scott Porter, Interim City Attorney

ATTACHMENTS

Exhibit A – Recommended Awardee List

EXHIBIT A - RECOMMENDED AWARDEE LIST

Legal Organization Name	Entity Type	Project Name	Category	Total Project Amount	Requested Grant Fund Amount	Recommended Award
American Youth Soccer Organization	Non-Profit Organization	2022 Spring Season Soccer Programs	At-Risk Youth	$ 32,000	$ 20,000	**$ 20,000**
Antelope Valley Blue Star Mothers (AVBSM)	Non-Profit Organization	AVBSM Desert Lawn Beautification	Local Military/Veteran	$ 2,000	$ 2,000	**$ 2,000**
Antelope Valley CERT	Non-Profit Organization	Palmdale Resiliency, Education and Preparedness (PREP)	Food & Shelter	$ 21,000	$ 21,000	**$ 21,000**
Antelope Valley Partners for Health	Non-Profit Organization	Regional Violence Prevention Coalition, Community Action Plan Expansion (RVPC-CAPE)	Community-Based Policing	$ 136,950	$ 14,950	**$ 14,950**
Coalition for Humane Immigrant Rights (CHIRLA)	Non-Profit Organization	CHIRLA's Palmdale Community Service Project	Community-Based Policing	$ 273,143	$ 180,000	**$ 90,000**
Dynamic Therapy Solutions & Dyslexia Center LLC	Business Organization	The COVID Regression Solution to At Risk Youth	At-Risk Youth	$ 67,300	$ 49,300	**$ 49,300**
Friends of the Children (FOTC) - Los Angeles	Non-Profit Organization	Youth Well-Being through a 2Gen Professional Mentoring	At-Risk Youth	$ 123,467	$ 25,000	**$ 25,000**
Homes for Families	Non-Profit Organization	Palmdale Veteran Enriched Neighborhood	Local Military/Veteran	$ 2,406,700	$ 100,000	**$ 100,000**
Jewish Vocational Services (JVS) SoCal	Non-Profit Organization	JVS Veterans First Skills Training	Local Military/Veteran	$ 931,887	$ 20,700	**$ 20,700**
Little LeagueInc. dba American Indian Little League	Non-Profit Organization	Baseball Field Improvements & Scholarship	At-Risk Youth	$ 10,000	$ 10,000	**$ 10,000**
Marzette's House	Non-Profit Organization	Healthy Heart and Minds - Healthy Snack Program	Food & Shelter	$ 2,000	$ 2,000	**$ 2,000**
Mental Health America of Los Angeles	Non-Profit Organization	TAY Academy - Mental Health Program	At-Risk Youth/ Mental Health	$ 482,600	$ 25,000	**$ 25,000**
Mental Health America of Los Angeles	Non-Profit Organization	Military Resource Center	Local Military/Veteran	$ 1,133,209	$ 25,000	**$ 25,000**
Mighty Little Giants, Inc.	Non-Profit Organization	NICU Essential Self Care Kits	Mental Health	$ 10,000	$ 10,000	**$ 10,000**
Saint Mary Elementary School	Education Organization	High-Dosage Tutoring Program	At-Risk Youth	$ 20,000	$ 20,000	**$ 20,000**
SALVA	Non-Profit Organization	SALVA building healthy communities and reducing disparities with the City Of Palmdale	Mental Health/Food & Shelter	$ 355,000	$ 355,000	**$ 177,500**
South Bay Center for Counseling	Non-Profit Organization	Child Abuse Prevention	Community-Based Policing	$ 25,000	$ 24,758	**$ 24,758**
Spring of Evolution dba Wolf Connection	Non-Profit Organization	Youth Empowerment Mentoring Component	At-Risk Youth	$ 2,336,899	$ 248,803	**$ 124,402**
STARBASE Edwards, Inc.	Non-Profit Organization	STARBASE Edwards 2.0 - After School Program	At-Risk Youth	$ 414,500	$ 40,000	**$ 40,000**
The Community Action League	Non-Profit Organization	Rent Relief Education & Outreach	Food & Shelter	$ 15,000	$ 15,000	**$ 15,000**
The Community Action League	Non-Profit Organization	Jumpstart to Success - Employment, Training and Mentorship Program	At-Risk Youth	$ 25,000	$ 25,000	**$ 25,000**
The Way Center of Truth, Inc.	Faith-Based Organization	Youth Empowerment 2022 - Suicide Prevention: From Depression to Inspiration	Mental Health	$ 19,800	$ 19,800	**$ 19,800**
U S Marine Corp Toys for Tots	Non-Profit Organization	Antelope Valley Toys for Tots	At-Risk Youth	$ 47,000	$ 26,000	**$ 26,000**
United American Indian Involvement, Inc.	Non-Profit Organization	UAII City of Palmdale Native American Youth Outreach Expansion	Mental Health	$ 50,000	$ 50,000	**$ 50,000**
Ventura Foundation	Non-Profit Organization	Developing our next generation of leaders - Leadership Training	At-Risk Youth	$ 50,000	$ 50,000	**$ 50,000**
Vets 4 Veterans, Inc	Non-Profit Organization	Operation Restart Immediate Need	Local Military/Veteran	$ 61,000	$ 35,000	**$ 35,000**
Vets 4 Veterans, Inc	Non-Profit Organization	Vets 4 Veterans Transition House	Local Military/Veteran	$ 508,000	$ 250,000	**$ 250,000**
Victory Outreach Palmdale	Non-Profit Organization	Basketball Tournament	At-Risk Youth	$ 9,400	$ 9,400	**$ 9,400**
West Antelope Valley Education, Inc.	Education Organization	Activities for All - Science, Arts and Athletics	At-Risk Youth	$ 44,000	$ 25,000	**$ 25,000**
				$ 9,612,855	**$ 1,698,711**	**$ 1,306,810**

OFFICE OF THE CITY MANAGER

Measure AV

Grant Program Awardee Report

Grant Program Highlights

84 applications were submitted

Online application portal opened January 10 and closed January 27.

$5.5 million total requested

Total requested funding received was almost 4x more than what was budgeted for round 1.

80 participated in webinar

City staff hosted an informational webinar on January 12 to go over the application and process.

Grant Awardees

Round 1

$1,306,810

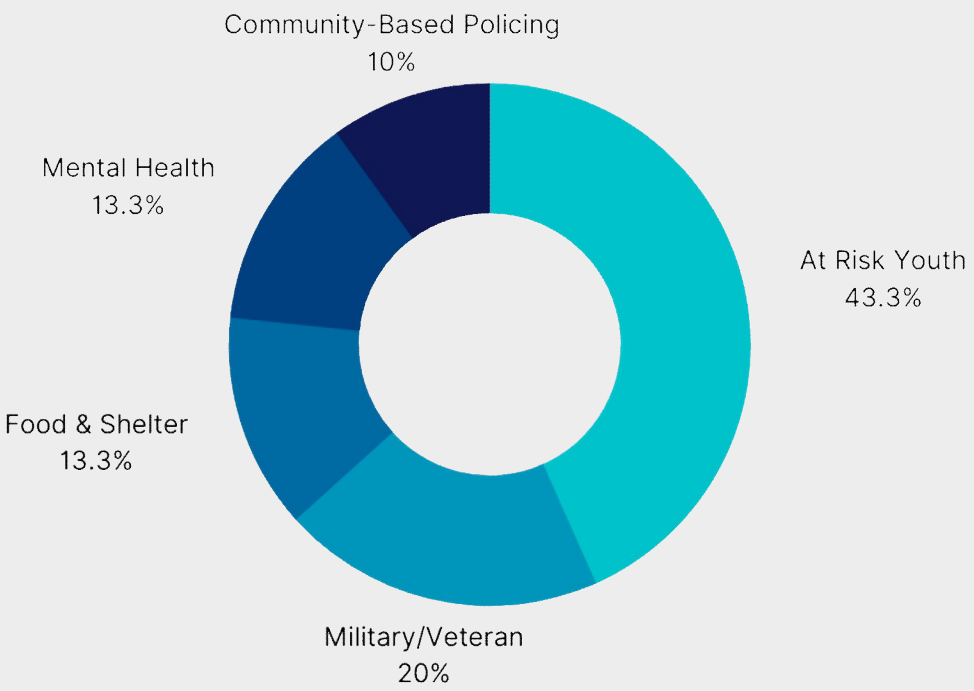
Recommended to Award

Over $1.3 million dollars will be awarded to help programs and services throughout our community.

29

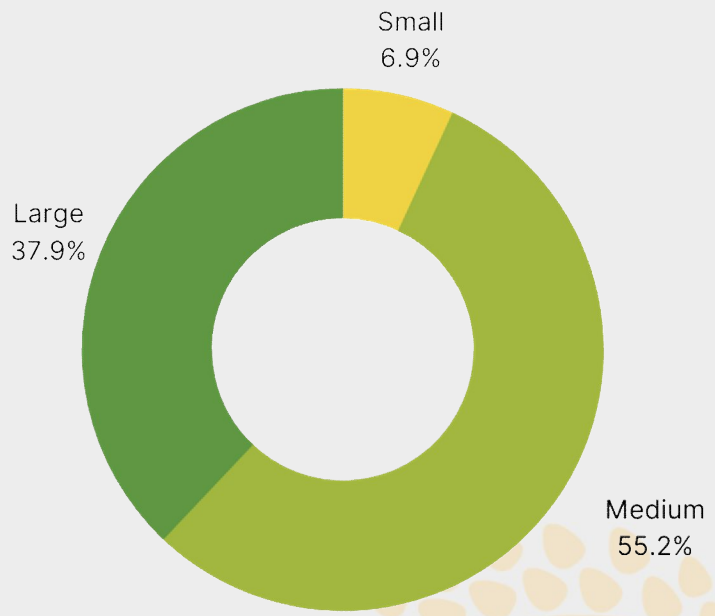
Community Projects

Round 1 of Measure AV grant funding will be awarded to 29 projects.



Project Categories

Awardees



Threshold Amounts

Awardees

Timeline

Round 1

Portal Opens

January 10
Applications accepted

Applications Due

January 27
Application deadline

Evaluation Review

February-March
Documentation & Scoring

Measure AV Meeting

April 27 - Presentation of Awardee List

City Council Meeting

June 1 - Awardee List Approval

Awardees Notified

June - Tentative Offer Letters

Finalization

July - Agreements Executed & Funding Sent

Questions

City Council Staff Report

DATE: **JUNE 1, 2022**

TO: **HONORABLE MAYOR AND CITY COUNCIL**

FROM: **CITY MANAGER DEPARTMENT**
CITY CLERK DIVISION

DISTRICT: **ALL**

SUBJECT: **ADOPT RESOLUTION NOS. CC 2022-056, CC 2022-057 AND CC 2022-058 INITIATING THE TUESDAY, NOVEMBER 8, 2022, CITY OF PALMDALE CITY COUNCIL GENERAL MUNICIPAL ELECTION**

ISSUE

Adopt Resolution Nos. CC 2022-056, CC 2022-057, and CC 2022-058 initiating the Tuesday, November 8, 2022, City of Palmdale City Council General Municipal Election.

RECOMMENDATION

Pursuant to the City Charter and requirements of the laws of the State of California Elections Code Sections 10403, 13307 and 13309, staff recommends the following:

1. Adopt Resolution No. CC 2022-056, a Resolution of the City Council of the City of Palmdale, California calling for the holding of a General Municipal Election to be held on Tuesday, November 8, 2022, for the election of certain officers, as required by the provisions of the City of Palmdale Charter.

2. Adopt Resolution No. CC 2022-057, a Resolution of the City Council of the City of Palmdale adopting regulations for candidates for elective office pertaining to candidate statements submitted to the voters at the General Municipal Election to be held on Tuesday, November 8, 2022.

3. Adopt Resolution No. CC 2022-058, a Resolution of the City Council of the City of Palmdale requesting the Board of Supervisors of the County of Los Angeles to order the consolidation of the General Municipal Election to be held on November 8, 2022 with the Statewide General Election to be held in the County of Los Angeles the same day; to authorize the Board of Supervisors of the County of Los Angeles to canvass the returns of said General Municipal Election; and to request that the Registrar-Recorder/County Clerk of said County be permitted to render full services to the City of Palmdale relating to the conduct of said General Municipal Election pursuant to California Elections Code Section 10403.

BACKGROUND

The City Council adopted Ordinance No. 1471, transitioning from at-large to by-district city councilmember elections on July 1, 2015, under Elections Code § 10010. Under the provisions of the City of Palmdale Charter, a General Municipal Election shall be held on November 8, 2022, for the purpose of electing three (3) Councilmembers elected by three (3) geographic districts established as Districts 3, 4 and 5. Councilmembers in Districts 3, 4 and 5 shall serve a full four (4) year term.

DISCUSSION

On April 6, 2022, the City Council adopted Ordinance No. 1579, ensuring Palmdale's elections complied with the California Voting Rights Act, which states "an at-large method of election may not be imposed or applied in a manner that impairs the ability of a protected class to elect candidates of its choice or its ability to influence the outcome of an election, as a result of a dilution or the abridgment of the rights of voters who are members of a protected class..." As a result, the City Council abolished the mayor-at-large position and at the end of the elected Mayor's term, the position would be filled by one of the Councilmembers and rotated on an annual basis.

Ordinance No. 1579 also implemented a new district boundary map, resulting from the redistricting process, defining Palmdale's City Council district boundaries for the next ten (10) years. The ordinance amended Section 2.08.020 of the Palmdale Municipal Code transitioning from four (4) geographic districts to five (5) geographic districts in which each Councilmember shall reside by a vote of the electors in each respective district.

During this election year, terms for District 3 represented by Laura Bettencourt and District 4 represented by Juan Carrillo are set to expire. As a result of the redistricting process, an additional City Council seat representing newly formulated District 5 is also open for a full four-year term.

To initiate the election process, the City Council must adopt three (3) resolutions as follows:

- Resolution No. CC 2022-056 activates the election process, including requirements related to the administration of the election.
- Resolution No. CC 2022-057 establishes regulations for candidates for elective office pertaining to candidate statements to be submitted to the voters. Each candidate for elective office to be voted for at the election may prepare a candidate's statement on an appropriate form provided by the City Clerk. The nomination filing period is July 18, 2022, through August 12, 2022. The City Clerk shall provide each candidate or the candidate's representative a copy of this Resolution at the time the nomination papers are issued. Section 13307 of the Elections Code of the State of California provides that the governing body of any local agency shall adopt regulations pertaining to materials prepared by any

candidate for a municipal election, including the payment of costs of the candidate statements.

- Resolution No. CC 2022-058 will consolidate the City of Palmdale's General Municipal Election with the Statewide General Election to be held in the County of Los Angeles on the same day. It would also authorize the County of Los Angeles Registrar-Recorder/County Clerk to render election services. The City Clerk is authorized and directed to coordinate with the County of Los Angeles Registrar-Recorder/County Clerk to procure and furnish all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary to conduct the election properly and lawfully. The ballots to be used at the election shall be in form and content as required by law. The vote centers for the election shall be open as required during the identified voting period pursuant to California Elections Code Sections 4007 and 14401.

The City Clerk is the City's election official and filing officer for candidate nomination papers and campaign finance disclosure forms. In addition, the City Clerk will qualify all candidates, receive, and review candidate statements, and receive other related ballot materials which are to be printed and included in the Official Sample Ballot Booklet, and perform all other duties as required by law.

The City Council authorizes the City Clerk to administer said election and all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill by the County.

Election Day -Tuesday, November 8, 2022
KEY DEADLINES

July 18th – August 12th – 5:00 P.M.	Nomination Period – Candidates to file nomination documents (E.C. §10220, 10224 and 10407)
August 12th	Last day for candidates to file nomination documents (E.C. §10407 and 10510)
August 17th – 5:00 P.M.	Nomination Extension Period - 5 days (E.C. §10407 and 10510)
September 29th – October 1st	Ballot Pamphlet mailed to Voters (E.C. §9094)

FISCAL IMPACT

Funding for the election is budgeted for in the Fiscal Year 2022-2023 budget, Account No. 721510, Elections, in the amount of $575,000. The amount budgeted is a valuation subject to change upon receiving the cost estimation from the Registrar-Recorder/County Clerk.

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.

ATTACHMENTS

1. Resolution No. CC 2022-056
2. Resolution No. CC 2022-057
3. Resolution No. CC 2022-058

Prepared by:	Shanae S. Smith, City Clerk
Approved by:	Ronda Perez, Interim City Manager
Certified as to availability of Funds:	Janelle Samson, Director of Finance

CITY OF PALMDALE
COUNTY OF LOS ANGELES, CALIFORNIA
RESOLUTION NO. CC 2022-056

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2022, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE CITY OF PALMDALE CHARTER.

WHEREAS, under the provisions of the City of Palmdale Charter, a General Municipal Election shall be held on November 8, 2022, for the election of Municipal Officers;

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

SECTION 1. That pursuant to the requirements of the City of Palmdale Charter, there is called and ordered to be held in the City of Palmdale, California, on Tuesday, November 8, 2022, a General Municipal Election for the purpose of electing three (3) Councilmembers elected by three (3) geographic districts established as Districts 3, 4 and 5 Councilmembers in Districts 3, 4 and 5 shall have a full four (4) year term.

SECTION 2. That the ballots to be used at the election shall be in form and content as required by law.

SECTION 3. That the City Clerk is authorized and directed to coordinate with the County of Los Angeles Registrar-Recorder/County Clerk to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

SECTION 4. The vote centers and vote by mail drop boxes for the election shall be open as required during the identified voting period pursuant to California Elections Code Sections 4007 and 14401.

SECTION 5. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 6. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed, and directed to give further or additional notice of the election, in time, form and manner as required by law.

SECTION 7. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

SECTION 8. The City Council authorizes the City Clerk to administer said election and all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill by the County.

PASSED, APPROVED and **ADOPTED** this 1st day of June, 2022.

_____
Steven D. Hofbauer, Mayor

Approved as to form:

_____
Scott E. Porter
Acting City Attorney

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, 2022 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____

_____
Shanae S. Smith, City Clerk

CITY OF PALMDALE
COUNTY OF LOS ANGELES, CALIFORNIA
RESOLUTION NO. CC 2022-057

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATE STATEMENTS SUBMITTED TO THE VOTERS AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2022

WHEREAS, Section 13307 of the Elections Code of the State of California provides that the governing body of any local agency adopt regulations pertaining to materials prepared by any candidate for a municipal election, including costs of the candidate's statement;

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

SECTION 1. GENERAL PROVISIONS. That pursuant to Section 13307 of the Elections Code of the State of California, each candidate for elective office to be voted for at an Election to be held in the City of Palmdale on November 8, 2022, may prepare a candidate statement on an appropriate form provided by the City Clerk. The statement may include the name, age, and occupation of the candidate and a brief description of no more than 200 words of the candidate's education and qualifications expressed by the candidate himself or herself. The statement shall not include party affiliation of the candidate, nor membership or activity in partisan political organizations. The statement shall be in typewritten form and filed with the City Clerk at the time the candidate's nomination papers are filed. Except as provided in Election Code Section 13309, the statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00 p.m. of the next working day after the close of the nomination period.

SECTION 2. FOREIGN LANGUAGE POLICY.

A. Pursuant to the Federal Voting Rights Act, candidate statements will be translated into all languages required by the County of Los Angeles. The County is required to translate candidate statements into the following languages:

   Chinese, Japanese, Spanish, Tagalog/Filipino, Vietnamese, Korean, Cambodian/Khmer, Hindi, Thai, Armenian, Farsi, Bengali, Burmese, Gujarati, Indonesian, Mongolian, Telugu and Russian

B. The County of Los Angeles will print and mail sample ballots and candidate statements in the required languages to only those voters who are on the county voter file as having requested a sample ballot in a particular language. The County will make the sample ballots and candidate statements in the required languages available at vote centers, on the County's website, and in the City's Election Official's office.

SECTION 3. PAYMENT.

A. Translations:

1. The candidate shall not be required to pay for the cost, if any, of translating the candidate statements into any required foreign language as specified in (A) and/or (B) of Section 2 above pursuant to Federal and/or State law.

2. The candidate shall be required to pay for the cost of translating the candidate's statement into any foreign language that is not required as specified in (A) and/or (B) of Section 2 above, pursuant to Federal and/or State law, but is requested as an option by the candidate.

B. Printing:

1. The candidate shall be required to pay for the cost of printing the candidate statements in English in the main voter pamphlet.

2. The candidate shall be required to pay for the cost of printing the candidate's statement in the Spanish language required in Section 2 above, in the main voter pamphlet.

The City Clerk shall provide the estimate of the total cost of printing, handling, translating, and mailing the candidate statements filed pursuant to this section, including costs incurred as a result of complying with the Federal Voting Rights Act and require each candidate filing a statement to pay in advance to the local agency his or her estimated pro rata share as a condition of having his or her statement included in the voter's pamphlet. In the event the estimated payment is required, the estimate is just an approximation of the actual cost that varies from one election to another election and may be significantly more or less than the estimate, depending on the actual number of candidates filing statements. Accordingly, the City Clerk is not bound by the estimate and may,

on a pro rata basis, bill the candidate for additional actual expense or refund any excess paid depending on the final actual cost. In the event of underpayment, the City Clerk may require the candidate to pay the balance of the cost incurred. In the event of overpayment, the City Clerk shall prorate the excess amount among the candidates and refund the excess amount paid within 30 days of the election.

SECTION 4. MISCELLANEOUS.

A) All translations of candidate statements shall be provided by professionally-certified translators.

B) The City Clerk shall follow the guidelines as prepared by the Los Angeles County Clerk and these guidelines will be presented to each candidate to the same extent and manner as allowed in previous City elections.

C) The City Clerk shall comply with all recommendations and standards set forth by the California Secretary of State regarding occupational designations and other matters relating to elections.

SECTION 5. ADDITIONAL MATERIALS. No candidate will be permitted to include additional materials in the sample ballot package.

SECTION 6. That the City Clerk shall provide each candidate or the candidate's representative a copy of this Resolution at the time nomination papers are issued.

SECTION 7. That all previous resolutions establishing Council policy on payment for candidate statements are repealed.

SECTION 8. That this resolution shall apply only to the election to be held on November 8, 2022, and shall then be repealed.

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SECTION 9. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED and **ADOPTED** this 1st day of June 2022.

_____
Steven D. Hofbauer, Mayor

Approved as to form:

_____
Scott E. Porter
Acting City Attorney

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, 2022 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ABSENT:_____

Date: _____

_____
Shanae S. Smith, City Clerk

CITY OF PALMDALE
COUNTY OF LOS ANGELES, CALIFORNIA
RESOLUTION NO. CC 2022-058

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO ORDER THE CONSOLIDATION OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 8, 2022 WITH THE STATEWIDE GENERAL ELECTION TO BE HELD IN THE COUNTY OF LOS ANGELES THE SAME DAY; TO AUTHORIZE THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO CANVASS THE RETURNS OF SAID GENERAL MUNICIPAL ELECTION; AND TO REQUEST THAT THE REGISTRAR-RECORDER/COUNTY CLERK OF SAID COUNTY BE PERMITTED TO RENDER FULL SERVICES TO THE CITY OF PALMDALE RELATING TO THE CONDUCT OF SAID GENERAL MUNICIPAL ELECTION PURSUANT TO CALIFORNIA ELECTIONS CODE SECTION 10403

WHEREAS, a General Municipal Election has been called by the City of Palmdale to be held in the City of Palmdale on November 8, 2022; and,

WHEREAS, a Statewide General Election to be held in the County of Los Angeles has been called to be held on November 8, 2022; and,

WHEREAS, it is desired, pursuant to the authority found in California Elections Code Section 10403, to consolidate the City of Palmdale's General Municipal Election with said Statewide General Election to be held in the County of Los Angeles.

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

SECTION 1. Pursuant to the requirements of Section 10403 of the Elections Code, the Board of Supervisors of the County of Los Angeles is hereby respectfully requested to order the consolidation of said General Municipal Election to be held on November 8, 2022, with the Statewide General Election to be held in the County of Los Angeles on November 8, 2022.

SECTION 2. The Board of Supervisors of the County of Los Angeles is hereby further respectfully requested to place upon the same ballot as that provided for and submitted to the electors of the City of Palmdale at said Statewide General Election to be held in the County of Los Angeles on November 8, 2022, for the purpose of electing three (3) members of the City

Council representing the names of the candidates for the offices of: Districts 3, 4 and 5 for a full term of four (4) years.

a) The office of the Mayor of the City shall, beginning at the end of the elected Mayor's term, be filled by one of the Councilmembers.

b) The District from which the office of mayor is initially filled shall be decided by lot as soon thereafter as reasonably practicable.

c) The office of Mayor shall rotate every one (1) year and will be decided by a majority of the City Council.

SECTION 3. The City of Palmdale acknowledges that the consolidated election will be held and conducted in the manner prescribed in Section 10418 of the California Elections Code.

SECTION 4. The Board of Supervisors of the County of Los Angeles is hereby authorized and respectfully requested to canvass the returns of said General Municipal Election.

SECTION 5. The Board of Supervisors of the County of Los Angeles is hereby authorized and respectfully requested to authorize and permit the Registrar-Recorder/County Clerk of the County of Los Angeles to:

a) Print and supply ballots for said City of Palmdale General Municipal Election;

b) Mail the City's sample ballots and candidate statements of qualifications to the electors of the City of Palmdale as part of the same material that will be mailed to the voters of the Statewide General Election to be held in the County of Los Angeles;

c) Perform such other services as may be required for the consolidation and conduct of said City of Palmdale General Municipal Election with said Statewide General Election to be held in the County of Los Angeles.

SECTION 6. The vote centers for the election shall be open as required during the identified voting period pursuant to California Elections Code sections 4007 and 14401.

SECTION 7. The City agrees to reimburse the County of Los Angeles in full for the services performed on behalf of the City upon the presentation of a bill by the County.

SECTION 8. The City Clerk is hereby directed to deliver a certified copy of this resolution to the Board of Supervisors of the County of Los Angeles and to transmit an electronic copy to the Board of Supervisors and the Registrar-Recorder/County Clerk of the County of Los Angeles.

PASSED, APPROVED and **ADOPTED** this 1st day of June 2022.

_____
Steven D. Hofbauer
Mayor

Approved as to form:

_____
Scott E. Porter
Acting City Attorney

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 2022 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT:_____

Date: _____

_____
Shanae S. Smith, City Clerk

CITY OF PALMDALE
OFFICE OF THE CITY COUNCIL

M E M O R A N D U M

TO: City Clerk

FROM: Laura Bettencourt, Councilmember

SUBJECT: Monthly Informational Report – Events and Meetings

DATE: June 1, 2022

During the period May 1, through May 31, 2022, I attended the following meetings and events:

May 4: Regular Council Meeting

May 7: Homes4Families WE Build

May 11: Deputy Hammack Memorial Briefing

May 11 - 15: California Contract Cities Association Annual Municipal Seminar, Indian Wells

May 18: CHP Senior Volunteer Graduation

May 18: Council Workshop

May 22: Opening Day of City of Palmdale's Healing and Honor Field

May 30: Memorial Day Celebration at Healing and Honor Field