



Open Space  
Preservation District  
**Annual Financial  
Report**

**Fiscal Year 2019-20**

**Program Year Ending June 30, 2020**

# Open Space Preservation District

Since the City of Santa Clarita's (City) incorporation in 1987, the City has made a significant effort to preserve the greenbelt and undeveloped land within and outside the City.

Preserving open space in and around the City has always been an important priority for the community and the City Council. In July 2007, City property owners voted in favor of creating the Open Space Preservation District (District). The District is designed to expand the City's Open Space, Park and Parkland Program in order to preserve natural land from development, create more parks for community usage and protect rare biological and geological regions.

The special assessment paid by City property owners gives the City a chance to purchase land that could otherwise be developed, which could put pressure on the City's precious natural resources. Additionally, the District greatly assists the City in preserving natural lands, retaining wildlife corridors and completing the City's greenbelt buffer.

## Financial Accountability and Audit Panel

The Santa Clarita Financial Accountability and Audit Panel (Panel) was established by the City Council in May 2007. The Panel is responsible for:

- Reviewing and approving the annual work program to ensure land acquisition priorities are adhered to;
- Reviewing the accounting of funds generated by the District;
- Working in conjunction with the City's independent auditor to ensure the District funds were spent properly and that good fiscal management of the funds is occurring;
- Making determinations as to whether the proposed expenditures are consistent with the criteria and the requirements established in the Engineer's Report; and
- Preparing an annual written report for the public, summarizing the items above.

The Panel is not responsible for the selection of land to be acquired by the City; rather, prospective land acquisition is the responsibility and authority of the City Council. Additional responsibilities, duties and guidelines of the Panel are outlined and formally approved in the Panel's Bylaws.

### *Financial Accountability and Audit Panel Members Fiscal Year 2019-20*

Henry Rodriguez, Chair  
Andre Hollings, Vice-Chair  
Sandra Cattell  
Wendy Langhans  
Susan Orloff

# Open Space Acquisition Update FY 2019-20

The Open Space Acquisition Implementation Work Program (Work Program) for the City of Santa Clarita is a document that outlines the acquisition principles and guidelines used to acquire vacant land and bring them into public ownership as open space. The Work Program also identifies procedures to evaluate and rank potential open space for acquisition and maximizes the limited funding and resources available for land acquisition and District funds.

The District did not have any expenditures for the acquisition of property in Fiscal Year 2019-20. Expenditures in Fiscal Year 2019-20 consisted of improvements at existing properties, oversight of the District, and continued efforts to negotiate and coordinate with funding partners for additional properties.

The Mountain Recreation & Conservation Authority (MRCA) rangers continue to be under contract and have broadened areas of responsibility as more properties have been acquired. In an effort to improve public safety and reduce environmental impacts to the City's Open Space, rangers work with City staff to address issues of dumping, off-road vehicle use, and other illegal activities that are reported or observed.

## Open Space Preservation District Property Acquisition Summary

A summary of year-to-date acquisitions is provided in Appendix A.

## District Financial Activity

It is the City Council's intent to utilize the additional funding from the District to expand the Open Space, Park, and Parkland Program to accelerate vacant land acquisition in and around the City in accordance with the guidelines outlined in the Work Program. This includes the acquisition, preservation and improvement of open space and parkland and the payment of debt service for such projects.

In 2007, the City Council approved the issuance of debt to finance the acquisition of open space and parkland by executing and delivering \$15,525,000 in Certificates of Participation (COPs - Open Space and Parkland Program) 2007 Series. This represented approximately half of the City's borrowing capacity and was the first bond issuance in a series of two.

The first year of the District's expenditures were very minimal due to annual debt service payments and associated fees related to the annual levy. In the second year, the District's expenditures were also nominal, including appraisal, legal, audit, and Los Angeles County fees, along with the annual levy costs. Fiscal Year 2009-10 reflected acquisition expenses tied to the **East Walker Ranch** (140+/- acres) and **Placerita/Quigley Canyon** (10+/- acres) properties, as well as expenditures for property appraisals, administrative, audit, and annual levy costs.

In Fiscal Year 2010-11, the City successfully completed four acquisitions. In October 2010, the City finalized the acquisition of 243+/- acres of real property located in the Soledad Canyon area, known as the **Rodda/Agua Dulce Partners** property and the acquisition of 842+/- acres of real property for open space preservation, located in **Elsmere Canyon**. In February 2011, the acquisition of 90+/- acres of real property for open space preservation, located in **Wildwood Canyon**, was completed. In June 2011, the City acquired 526+/- acres of real property in **Haskell Canyon** for open space preservation.

In Fiscal Year 2011-12, the City closed escrow on the acquisition of 17 acres near the Quigley Canyon Open Space known as **Prince/Placerita Canyon**. The purchase of this property enhanced the City's ongoing efforts to preserve open space and provide additional trail opportunities for residents. The acquisition also allowed additional trail connections and future trail alignments.

In Fiscal Year 2012-13, the City closed escrow on the acquisition of five acres on **Haskell Vista Lane** in Wildwood Canyon. This acquisition was contiguous to the City's 90-acre Wildwood Canyon Open Space and it provided a site for a trailhead and community access from Haskell Vista Lane. The **Nominn** acquisition took place in August 2012, with 25 acres from the acquisition within the District boundary.

In Fiscal Year 2013-14, the expenditures involved maintenance, services, and improvements to open space trails, including signage; ranger services; and repairs to gates, fencing, and kiosks.

In Fiscal Year 2014-15, the City closed escrow on the acquisition of 589 acres, comprising **Gateway Ranch** (formerly Las Lomas Development), **Taylor Property**, and property from the **Aidlin Trust**, located near the Newhall Pass. Together, these acquisitions enhanced the City's ongoing efforts to preserve open space lands and improve trail connectivity throughout the Newhall Pass, while also linking to the Santa Susanna Mountains to the San Gabriel Mountains, and the future Crest-to-Coast trail system. It is worth noting that Trust for Public Land (TPL) was able to secure \$3.3 million in funding to help with the **Gateway Ranch** purchase.

In Fiscal Year 2015-16, the City closed escrow on the acquisition of 72 acres, comprising the 59-acre **Pryor Property** in Quigley Canyon and 13 acres of **Alfieri Property** in the Eastern Greenbelt adjacent to the CEMEX property. In addition, access improvements to the property and building demolition took place at **Gateway Ranch**.

In June 2016, the District 2007 District Bonds were advance refunded to achieve interest cost savings. The all-in true interest cost for the 2007 Bonds was 4.90 percent, and is now 2.71 percent for the new Series 2016B Bonds. Net present value savings to the District are \$2.98 million, net of all expenses, proportionately reducing annual debt service by \$175K to \$285K annually. The outstanding principal amount of the new Series 2016B Bonds as of June 30, 2016, was \$14,020,000.

In Fiscal Year 2016-17, the City closed escrow on the acquisition of 494 acres, comprising **Newhall Pass Open Space - Valley Vista** (formerly Las Lomas Development) and the **Newhall Open Space Plourde** property, the **Tax-Defaulted Property** and the **Pruces Property** in

Golden Valley Ranch Regional Open Space, Via Princessa Park, and Tapia Canyon. Together, these acquisitions enhance the City’s ongoing efforts to preserve open space lands and improve trail connectivity throughout the Newhall Pass while also linking to the Santa Susanna Mountains to the San Gabriel Mountains and the future Crest-to-Coast trail system. In addition, TPL was able to secure over \$2.8 million in funding to assist with the Valley Vista purchase.

In Fiscal Year 2017-18, the City completed the acquisition of approximately eight acres of land for the future home of the Canyon Country Community Center, located at the corner of Soledad Canyon and Sierra Highway. The District contributed \$2 million towards the purchase of the site to be used as future improved active parkland. The annually approved Work Program outlines that the District is permitted to purchase future improved active parkland, so long as 90% of the total acres purchased are preserved for natural open space.

In Fiscal Year 2018-19, the City completed the acquisition of approximately 176 acres known as the San Francisquito Open Space.

In Fiscal Year 2019-20, the expenditures involved maintenance, services and improvements to open space trails, including signage, ranger services and repairs to gates, fencing and kiosks.

The following is a summary of the audited expenditures, revenues, and fund balance.

	<b>Audited Actuals FY 2018-19</b>	<b>Audited Actuals FY 2019-20</b>
<b>Beginning Fund Balance</b>	<b>\$3,676,206</b>	<b>\$3,869,655</b>
<b>Revenues:</b>		
Special Assessments	\$2,698,670	\$2,852,828
Investment Income	\$114,847	\$82,211
Charges for Services	\$128,942	\$215,429
Other Revenues	\$2,500	\$1,793
	<hr/>	<hr/>
	\$2,974,959	\$3,152,261
<b>Expenditures:</b>		
Operating Expenditures	\$459,427	\$634,015
Capital Expenditures: Land/Improvements/Capital Projects	\$1,598,477	\$49,769
Transfers to other City funds	\$723,606	\$745,706
	<hr/>	<hr/>
	\$2,781,510	\$1,429,490
Excess of revenues over (under) expenditures	<hr/>	<hr/>
	\$193,449	\$1,722,771
 <b>Ending Fund Balance</b>	 <hr/> <b>\$3,869,655</b>	 <hr/> <b>\$5,592,426</b>

# Audit

The City's independent auditor, Eide Bailly was tasked with auditing the financial statements of the District Fund for fiscal year ending June 30, 2020.

The annual audit was conducted 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. The standards require that Eide Bailly plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

Upon completion of the audit, a financial statement with a report on the audit was provided to the City, summarizing their audit findings. The audit found the financial position of the District Special Revenue Fund of the City of Santa Clarita, as of June 30, 2020, was in conformity with accounting principles generally accepted in the United States of America. The result of the financial audit disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

# APPENDIX A

## Open Space Preservation District Acquisition Summary



### Contents:

- **Summary of Acquisitions**

## Open Space Preservation District Acquisition Summary

Date	Property	Acres +/-	Actual	Adjustments	Adjusted Actuals	%	Funding
September 2009	East Walker Ranch	140	\$751,788	\$1,091,649	\$1,843,437	75%	Open Space Preservation District Fund Environmental Mitigation Funds General Fund (Developer Contribution) Los Angeles County Prop A
			\$647,364	(\$647,364)	\$0	0%	
			\$800,000	(\$444,285)	\$355,715	15%	
			\$250,000		\$250,000	10%	
			\$2,449,152	\$0	\$2,449,152	100%	
October 2009	Placerita/Quigley Canyon	10	\$473,176	\$115,000	\$588,176	100%	Open Space Preservation District Environmental Mitigation Funds
			\$115,000	(\$115,000)	\$0		
			\$588,176	\$0	\$588,176	100%	
October 2010	Rodda/Agua Dulce Partners (in Soledad Canyon)	243	\$542,761		\$542,761	42%	Open Space Preservation District Rivers and Mountains Conservancy Grant
			\$750,000		\$750,000	58%	
			\$1,292,761	\$0	\$1,292,761	100%	
October 2010	Elsmere Canyon	842	\$3,753,416		\$3,753,416	63%	Open Space Preservation District L.A. County Sunshine Canyon Land L.A. County Prop A Grant Santa Monica Mtns Conservancy – Prop 84
			\$1,000,000		\$1,000,000	17%	
			\$750,000		\$750,000	12%	
			\$500,000		\$500,000	8%	
			\$6,003,416	\$0	\$6,003,416	100%	
February 2011	Wildwood Canyon	90	\$374,507	\$89,672	\$464,179	100%	Open Space Preservation District Environmental Mitigation Funds
			\$89,672	(\$89,672)	\$0		
			\$464,179	\$0	\$464,179	100%	
June 2011	Haskell Canyon	526	\$2,900,150	\$205,926	\$3,106,076	100%	Open Space Preservation District Environmental Mitigation Funds
			\$205,926	(\$205,926)	\$0		
			\$3,106,076	\$0	\$3,106,076	100%	
November 2011	Prince/Placerita Canyon	17	\$72,000	(\$9,745)	\$62,255	78%	Open Space Preservation District Environmental Mitigation Funds
			\$8,255	\$9,745	\$18,000	22%	
			\$80,255	\$0	\$80,255	100%	
June 2012	Nominn	25	\$1,388,500	(\$1,333,018)	\$55,482	1%	OSPD
	Nominn* (non-OSPD)	1001	\$715,000	\$0	\$715,000	16%	L.A. County Prop Prop A Wildlife Conservation Board Environmental Mitigation Land Acquisition General Fund
			\$2,470,000	\$0	\$2,470,000	54%	
			\$0	\$1,001,739	\$1,001,739	22%	
			\$0	\$331,279	\$331,279	7%	
			\$4,573,500	\$0	\$4,573,500	100%	
October 2012	Wildwood/Haskell Vista	5	\$40,574	\$0	\$40,574	100%	Open Space Preservation District
			\$40,574	\$0	\$40,574	100%	
April 2013	Williams* (non-OSPD)	56	\$159,484	(\$159,484)	\$0		Open Space Preservation District Environmental Mitigation Funds
			\$0	\$159,484	\$159,484	100%	
			\$159,484	\$0	\$159,484	100%	
October 2014	Gateway Ranch	302	\$2,133,668	\$0	\$2,133,668	39%	Open Space Preservation District State of CA Natural Resources Agency LA County – Prop A State of CA Wildlife Conservation Board Grant <i>TPL assisted with the filing for all these grants that went directly into escrow.</i>
			\$350,000		\$350,000	7%	
			\$650,000		\$650,000	12%	
			\$2,300,000		\$2,300,000	42%	
			\$5,433,668	\$0	\$5,433,668	100%	
October 2014	Taylor	114	\$1,751,740	\$0	\$1,751,740	100%	Open Space Preservation District
March 2015	Aidlin	173	\$1,862,021	\$0	\$1,862,021	100%	Open Space Preservation District
July 2015	Quigley Canyon (Pryor)	59	\$428,451	\$0	\$428,451	59%	Open Space Preservation District B&T District Fund (Via Princessa)
			\$293,200	\$0	\$293,200	41%	
			\$721,651	\$0	\$721,651	100%	
June 2016	Eastern Greenbelt (Alfieri)	13	\$59,365	\$0	\$59,365	100%	Open Space Preservation District



## Open Space Preservation District Acquisition Summary

Date	Property	Acres +/-	Actual	Adjustments	Adjusted Actuals	%	Funding
July 2016	Newhall Pass between Wildwood Canyon & Gateway Ranch (Plourde)	9	\$135,798	\$0	\$135,798	100%	Open Space Preservation District
July 2016	Tapia Canyon (near Castaic)	78	\$312,079	\$0	\$312,079	100%	Open Space Preservation District
October 2016	Golden Valley Ranch (Tax Defaulted Property)	52	\$10,451	\$0	\$10,451	100%	Open Space Preservation District
March 2017	Newhall Pass Open Space Valley Vista (Former Las Lomas)	240	\$1,162,827	\$0	\$1,162,827	29%	Open Space Preservation District
			\$506,666	\$0	\$506,666	13%	State of CA Natural Resources Agency
			\$650,000	\$0	\$650,000	16%	LA County - Prop A
			\$1,010,000	\$0	\$1,010,000	25%	State of CA Wildlife Conservation Board Grant
			\$639,000	\$0	\$639,000	16%	Santa Monica Mountains Conservancy
			\$80,000	\$0	\$80,000	2%	TPL assisted with the filing for all these grants that went directly into escrow.
	<b>\$4,048,493</b>	<b>\$0</b>	<b>\$4,048,493</b>	<b>100%</b>			
April 2017	Placerita Canyon (Pruces)	89	\$780,262	\$0	\$780,262	100%	Open Space Preservation District
April 2017	Canyon Country (adjacent to Via Princessa Metrolink Station)	26	\$651,000	\$0	\$651,000	100%	Open Space Preservation District
December 2017	Canyon Country Community Center	8.55	\$2,000,000	\$0	\$2,000,000	18%	Open Space Preservation District
			\$55,000	\$0	\$55,000	40%	City of Santa Clarita Facilities Fund
			\$1,027,806	\$0	\$1,027,806	40%	City of Santa Clarita Facilities Fund
			\$3,512,844	\$0	\$3,512,844	42%	City of Santa Clarita Facilities Fund
			\$4,708,563	\$0	\$4,708,563	42%	General Fund
	<b>\$11,304,213</b>	<b>\$0</b>	<b>\$11,304,213</b>	<b>100%</b>			
August 2018	San Francisquito	176	\$1,500,000	\$0	\$1,500,000	100%	Open Space Preservation District
<b>GRAND TOTAL</b>			<b>\$47,328,514</b>	<b>\$0</b>	<b>\$47,328,514</b>		

OSPD TOTAL	\$23,244,218	\$0	\$23,244,218
OTHER FUNDS TOTAL	\$24,084,296	\$0	\$24,084,296
<b>GRAND TOTAL</b>	<b>\$47,328,514</b>	<b>\$0</b>	<b>\$47,328,514</b>

	Open Space Acreage	Open Space Preservation	Active Parkland	Active Parkland %
OSPD Purchased Acres	3,238	3,229	8.55	0.3%
Non-OSPD Purchased	6,322			
	<u>9,560</u>			