# City of Santa Clarita

# Engineer's Report

## Open Space Preservation District

### FISCAL YEAR 2021/2022

**Intent Meeting: June 8, 2021**
**Public Hearing: June 22, 2021**

**Prepared on: May 14, 2021**

WILLDAN


27368 Via Industria
Suite 200
Temecula, CA 92590
T 951.587.3500 | 800.755.6864
F 951.587.3510

www.willdan.com

**CITY OF SANTA CLARITA**
**OPEN SPACE PRESERVATION DISTRICT**

**ENGINEER'S REPORT**
**CERTIFICATE**

This Report describes the District including the improvements, budgets, parcels and assessments to be levied for Fiscal Year 2021/2022, as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Los Angeles County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this ______ day of____________, 2021.

Willdan Financial Services

Assessment Engineer

By: ________________________________
Stacee Reynolds
Sr. Project Manager, District Administration Services

By:_____________________________
Tyrone Peter
PE # C81888

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment Roll and Assessment Diagram thereto attached was filed with me on the _____day of________, 2021.

By:_____________________________
Mary Cusick, City Clerk
City of Santa Clarita
Los Angeles County, California

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment Roll and Assessment Diagram thereto attached was approved and confirmed by the City Council of the City of Santa Clarita, California, on the _____day of________, 2021.

By:_____________________________
Mary Cusick, City Clerk
City of Santa Clarita
Los Angeles County, California

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# I. OVERVIEW

## A. BACKGROUND

Since the City of Santa Clarita's ("the City") incorporation in 1987, the City has made a significant effort to preserve the greenbelts and undeveloped land within and outside the City. This includes implementing the vision of the first and subsequent City Councils to buffer the Santa Clarita Valley with a greenbelt to help maintain the character and quality of life for residents. During the "The Big Picture" Community Strategic Planning process in 2004, several open space goals were reaffirmed. Additionally, in 2007 a number of community members spoke to the Council in support of preserving undeveloped land and asked the Council to, once again, pursue the creation of a mechanism to finance the acquisition and preservation of undeveloped land. In April 2007, the City Council adopted a resolution to initiate the formation of the City of Santa Clarita Open Space Preservation District.

On August 13, 2014, LAFCO (Local Agency Formation Commission) approved Annexation 2013-03 (North Saugus) to the City of Santa Clarita. On October 14, 2014 LAFCO approved the boundary change of the City of Santa Clarita to include the North Saugus area. Beginning in Fiscal Year 2015/16, parcels in Annexation 2013-03 are subjected to the Open Space Preservation District Assessment.

On April 12, 2016, the City Council adopted Resolution No. 16-12, initiating annexation proceedings for the West Creek/West Hills annexation with the LAFCO. Annexation Application No. 2016-07 was submitted to LAFCO on April 14, 2016.

On June 28, 2016, the City Council approved and adopted a Joint Resolution between the City and Los Angeles County approving and accepting the negotiated exchange of property tax revenue relating to the pending annexation of areas within the unincorporated portion of Los Angeles County. Following the Council's action, the Los Angeles County Board of Supervisors adopted the same Joint Resolution at their Board meeting of July 19, 2016. LAFCO approved Annexation 2016-07 at their August 10, 2016, meeting and further held the protest hearing at their October 12, 2016, meeting. Annexation 2016-07 was complete on November 15, 2016 when the annexation was recorded with the State.

On April 24, 2018, the City Council adopted Resolution No. 18-14, which initiated annexation proceedings for the Plum Canyon annexation with the Local Agency Formation Commission (LAFCO). Annexation Application No. 2018-04 was submitted to LAFCO on June 27, 2018.

On July 10, 2018, the City Council adopted a joint resolution between the City of Santa Clarita (City) and County of Los Angeles, approving and accepting the negotiated exchange of property tax revenue relating to the pending annexation of areas within the unincorporated portion of Los Angeles County. Following the Council's action, the Los Angeles County Board of Supervisors adopted the same joint resolution at their board meeting on September 18, 2018. LAFCO approved Annexation 2018-04 at their October 10, 2018, meeting and further held the protest hearing at their November 14, 2018, meeting. Annexation 2018-04 was complete on November 15, 2018, when the annexation was recorded with the state.

## B. EFFECTS OF PROPOSITION 218

On November 5, 1996, the electorate approved Proposition 218, Right to Vote on Taxes Act, which added Articles XIIIC and XIIID to the California Constitution. The Article XIIID affects all assessments upon real property for a special benefit conferred on the property. Assessments imposed under the Landscaping and Lighting Act of 1972 are these types of benefit assessments.

The provisions of Proposition 218 can be summarized in four general areas:

1. Strengthens the general and special tax provisions of Propositions 13 and 62;
2. Extends the initiative process to all local taxes, assessments, fees and charges;
3. Adds substantive and procedural requirements to assessments; and
4. Adds substantive and procedural requirements to property-related fees and charges.

# II. PLANS AND SPECIFICATIONS

## A. IMPROVEMENTS AUTHORIZED BY THE 1972 ACT

As applicable or may be applicable to this District, the 1972 Act defines improvements to mean one or any combination of the following:

- The installation or planting of landscaping.
- The installation or construction of statuary, fountains, and other ornamental structures and facilities.
- The installation or construction of public lighting facilities, including, but not limited to, traffic signals.
- The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof, including, but not limited to, grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
- The installation of park or recreational improvements, including, but not limited to, all the following:
  - ❖ Land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, and drainage.
  - ❖ Lights, playground equipment, play courts, and public restrooms.
- The maintenance or servicing, or both, of any of the foregoing.
- The acquisition of land for park, recreational, or open-space purposes.
- The acquisition of any existing improvement otherwise authorized pursuant to this section.
- Incidental expenses associated with the improvements include, but are not limited to:
  - ❖ The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
  - ❖ The costs of printing, advertising, and the publishing, posting and mailing of notices;
  - ❖ Compensation payable to the County for collection of assessments;
  - ❖ Compensation of any engineer or attorney employed to render services;
  - ❖ Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
  - ❖ Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.
  - ❖ Costs associated with any elections held for the approval of a new or increased assessment.

The 1972 Act defines "maintain" or "maintenance" to mean 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 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.
- 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.

## B. DESCRIPTION OF IMPROVEMENTS TO BE MAINTAINED AND SERVICED

The Open Space Preservation District expands the City's existing Open Space, Park and Parkland Program. This program preserves, improves, finances, services and maintains facilities as described below.

It is the City Council's intent to utilize the additional funding from the Open Space Preservation District to expand the existing Open Space, Park, and Parkland Program to accelerate vacant land acquisition in and around the City in accordance with the guidelines outlined in the Open Space Acquisition Implementation Work Program, which is included herein and is provided in the Appendix.

The improvements are the acquisition, preservation, improvement, financing, servicing and maintenance of parks, parkland and open space lands and appurtenant equipment and facilities, including but not limited to, personnel, electrical energy, utilities such as water, materials, contracting services, debt service costs, and other items necessary for the satisfactory provision of these facilities and services.

Facilities include but are not limited to:

- Open Space Lands
- The Santa Clara River Watershed
- Trail Systems
- Wildlife Corridors
- Park and Recreation Facilities and Equipment

Maintenance means the furnishing of services and materials for the ordinary and usual maintenance, operation, preservation and servicing, including repair, removal or replacement of all or part of any of the park, parklands and open space lands or appurtenant equipment or 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; brush clearing; and the cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

Servicing means the furnishing of water for the irrigation and the furnishing of electric current or energy, gas or other illuminating agent for the operation of the park, parklands and open space lands or appurtenant equipment or facilities.

The City financed a portion of the facilities through the issuance of bonded indebtedness.

The plans and specifications for the improvements, showing the general nature, location and the extent of the facilities, are on file in the City Parks, Recreation and Community Services Department and are by reference herein made a part of this report.

# III. ESTIMATE OF COST

The City's budget for the Open Space, Park, and Parkland Program, shown below, details the estimated costs for Fiscal Year 2021/2022 as available at the time of preparation of this report. The 1972 Act provides that the total cost of the construction, acquisition, preservation, improvement, servicing and maintenance, together with incidental expenses, may be financed from the assessment proceeds. The incidental expenses may include engineering fees, legal fees, printing, mailing, postage, publishing, and all other related costs identified with the district proceedings.

| Open Space, Park and Parkland Program Estimate of Costs: | | |
|---|---|---|
| Open Space, Park, and Parkland Program | | $8,417,923 |
| Expansion of the Program through the Preservation District | | 3,086,421 |
| Less General Benefit Contribution | (69.60%) | (8,007,024) |
| **Assessment shall not exceed Special Benefit Quantification of** | **(30.40%):** | **$3,497,321** |
| | | |
| **Budget for Expansion of the Program through the Open Space Preservation District** | | |
| | | |
| **Resources:** | | |
| Beginning Land Acquisition Reserve (Beginning Fund Balance FY 21/22) | | $5,316,231 |
| Other Revenue (interest, etc.) | | 186,070 |
| | **Total Resources:** | **$5,502,301** |
| | | |
| **Uses:** | | |
| Administration | | $790,309 |
| Bond Debt Service | | 785,706 |
| Capital Projects | | 0 |
| Operating Reserve Per Section 22569(a) | | 788,008 |
| Ending Land Acquisition Reserve (Ending Fund Balance FY 21/22) | | 6,224,700 |
| | **Total Uses:** | **$8,588,722** |
| | | |
| | **Total Preservation District Expansion Budget:** | **$3,086,421** |
| | Total Assessable Benefit Units | 79,139.01 |
| | Maximum Assessment per Benefit Unit | $39.00 |
| | Applied Rate per Benefit Unit | $39.00 |

Note:

(1) Detailed estimated cost of components of the Program are available in the Neighborhood Services Department and are incorporated herein by this reference.

(2) Under the Preservation District, the total estimated cost of the Improvements to be funded by the Preservation District is greater than the amount that can be conveniently raised from a single annual assessment. The City is authorized to determine such costs of one or more Improvements, including related debt service, to be collected in installments over a period not to exceed thirty (30) fiscal years from its initial funding, as provided in the annual Engineer's Report. On December 12, 2007, the City executed and delivered $15,525,000 Certificates of Participation (Open Space and Parkland Acquisition Program) 2007 Series (the "Certificates") to fund such Improvements and the assessments from the Preservation District were pledged to make debt service payments on the Certificates. The debt service schedule is attached hereto as Appendix 1.

The 1972 Act requires that a special fund be set-up for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purpose as stated herein. The City may advance funds or incur bonded indebtedness, if needed, to ensure adequate cash flow or timing of the provision of the facilities, and will be reimbursed for any such advances or payment of annual bond debt service upon receipt of assessments. Any surplus or deficit remaining on July 1 must be carried over to the next fiscal year.

# IV. METHOD OF APPORTIONMENT

## A. GENERAL

Part 2 of Division 15 of the Streets and Highways Code, the Landscaping and Lighting Act of 1972, permits the establishment of Assessment Districts by cities for the purpose of providing certain public improvements which include the construction, maintenance and servicing of park and recreation improvements and the acquisition of land for park, recreation or open space purposes.

Section 22573, Landscaping and Lighting Act of 1972 requires that assessments be levied according to benefit rather than according to assessed value. This section 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."

The Act permits the designation of zones of benefit within any individual assessment district if "by reason of variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvements." (Sec. 22574). Thus, the 1972 Act requires the levy of a true "assessment" rather than a "special tax."

In addition, Proposition 218, the "Right to Vote on Taxes Act" which was approved on the November 1996 Statewide ballot and added Article XIIID to the California Constitution, requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. XIIID provides that only special benefits are assessable and the City must separate the general benefits from the special benefits. XIIID also requires that publicly owned properties that benefit from the improvements be assessed.

## B. REASON FOR THE ASSESSMENT

The District funds a portion of the City's Open Space, Park, and Parkland Program (the "Program") as previously defined herein in Section II of this Report.

This Program covers park and recreation facilities, open space lands, the Santa Clara River watershed, trail systems and wildlife corridors throughout the City of Santa Clarita, and open space preservation around the perimeter of the City.

## C. SPECIAL BENEFIT ANALYSIS

Parcels within the District are assessed for those improvements that provide a special benefit to the properties. Article XIIID of the California Constitution defines special benefit 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. General enhancement of property value does not constitute 'special benefit'."

## D. SPECIAL BENEFIT DETERMINATION

In determining the proportionate special benefit derived by each identified parcel, the proximity of the parcel to the public improvements detailed in Part A above, and the capital, maintenance and operating costs of said public improvements, was considered and analyzed. Due to the close proximity of the parcels to the improvements detailed in Part A above, it has been demonstrated and determined the parcels are uniquely benefited by, and receive a direct advantage from, and are conferred a particular and distinct special benefit over and above general benefits by, said public improvements.

The overall quality of life and desirability of an area is enhanced when parks, open space and recreational facilities are in place, improved, operable, safe, clean and maintained. Property desirability in an area also increases when there is an increase in the number of parks, open space and recreation facilities.

Studies in a number of communities have indicated that recreation areas and facilities, if well maintained and wisely administered, have caused a marked increase in the property values of parcels in the community. Consequently, such recreation and park facilities have proved to be a potent factor in maintaining a sound economic condition and a high standard of livability in the community. These studies confirm the opinion long held by planning authorities as to the economic value of parks and recreational facilities in a community.

> "The recreation value is realized as a rise in the value of land and other property in or near the recreation area, and is of both private interest to the landowner and others, holding an economic stake in the area, and of public interest to the taxpayers, who have a stake...." (National Recreation and Park Association, June 1985)

> "Recreation and park amenities are central components in establishing the quality of life in a community. ... [businesses'] main resource is their employees for whom quality of life is an important issue... The availability and attractiveness of local parks and programs influences some companies' relocation decisions. ... the presence of a park encourages real estate development around it...." (California Parks & Recreation, Winter 1997)

The special benefit of parks and other recreational facilities conferred to residential and non-residential properties has been summarized by a number of studies. The United States Department of the Interior, National Park Service, in a publication dated June 1984, concluded that:

- "Parks and recreation stimulate business and generate tax revenues."
- "Parks and recreation help conserve land, energy, and resources."
- "An investment in parks and recreation helps reduce pollution and noise, and makes for a more pleasing community..."
- "Public recreation benefits all employers by providing continuing opportunities to maintain a level of fitness throughout one's working life, and through helping individuals cope with the stress of a fast-paced and demanding life."

Collaborative Economics, a Silicon Valley think-tank, has found strong connections between the physical design and attractive maintenance of community facilities and the new knowledge-driven, service-oriented economy (*Linking the New Economy to Livable Communities*, Collaborative Economics 1998). Businesses are increasingly valuing "quality of life" as a way to recruit and retain skilled workers (*Profiles of Business Leadership on Smart Growth*, National Association of Local Government Environmental Professionals, 1999).

Non-residential property (either vacant or developed) located within a community that actively promotes the design and maintenance of park and recreation facilities, is conferred a distinct and special benefit because these features attract businesses, ensuring the highest and best use of the property. Area desirability helps to assure that vacant property is actually marketable to willing buyers and helps assure that the property owner can actually capture the full market value for property.

Residential property (both vacant and developed) benefits from the "area desirability" because workers are attracted to community, and will purchase homes, which again assures the highest and best use of the property. As described above, when an area is desirable, property is more marketable and owners are better positioned to capture the benefits full market value.

The entire community, and parcels within the community, are conferred a special benefit when parks and recreational facilities are included as part of the overall community design standard and are maintained.

The Supreme Court of California, in Knox v. City of Orland, acknowledged that parks confer special benefit. In this opinion, the Supreme Court of California stated, "in California, there is a lengthy history of legislative and judicial recognition that parks constitute proper subjects for special assessment."

Homebuyers over age 55, considering a move, were surveyed about the amenities that "would seriously influence them in selecting a new community" in *Boomers on the Horizon: Housing Preferences of the 55+ Market*, National Association of Home Builders, 2002. The following results were found:

| Amenity | Group | % Seeking Amenity | Rank on List |
|---|---|---|---|
| Walking and jogging trails<br>Walking and jogging trails | 55+<br>55+ >$75k per year | 52<br>65 | 1 |
| Outdoor spaces<br>Outdoor spaces (park) | 55+<br>55+, moving to suburbs | 51<br>55 | 2 |
| Open Spaces | 55+ | 46 | 4 |

Finally, the ERE Yarmouth and Real Estate Research Corporation has found that "smart communities" (those that actively plan and maintain parks, open space, streetscaping and pedestrian friendly features) will experience the fastest rise in real estate values (*Defining New Limits, Emerging Trends in Real Estate*, ERE Yarmouth and Real Estate Research Corporation, 1988).

In addition, all of the aforementioned above illustrates that parks, open space and recreational facilities contribute to a specific increase in property desirability which confers a particular and distinct special benefit upon the real property located within the district.

## E. AREA OF BENEFIT

Proposition 218 states, "No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and an agency must separate the general benefits from the special benefits conferred on a parcel."

Based on the above, the area of benefit for the facilities and services funded by the District are defined below:

The National Recreation and Park Association standards are used to define the service area of the City's existing parklands and open space areas. These standards state that a community park, which serves the needs of several neighborhoods, has a service radius of up to 3 miles. Properties within this 3-mile service radius are considered to receive special benefit from the facility.

To define the service area of the District, a 3-mile radius was drawn around all of the City's existing parklands and open space areas. This is shown on the Assessment Diagram at the back of this Report.

Parcels within the District service area are considered to receive special benefit from the District. The total area served by the Program, as defined above, is 149,340.58 acres. Of that area, 103,984.51 acres, or approximately 69.60 percent, is outside the city boundaries. The benefits conferred on these non-city parcels within the service areas are considered the "general benefits" associated with the District.

Therefore, only 30.40 percent of the District budget is assessed to City properties as the quantification of special benefits received, and 69.60 percent of the budget will be provided from other sources (e.g.: general fund, Proposition A funds, etc.).

## F. GENERAL BENEFIT

Section 4 of Article XIIID requires that the general benefits imparted by the Open Space, Park and Parkland Program be separated from the special benefits and that only the special benefit portion of the costs of the project be assessed against those parcels which are identified as receiving special benefits.

As stated above, only 30.40 percent of the District budget is assessed to properties within the City boundaries as the quantification of special benefits received, and 69.60 percent of the budget is defined as the "general benefits".

This quantification of general benefit is considered a conservative estimate as much of the area outside the City boundaries is currently sparsely developed when compared with the development intensity within the City.

All properties within the City of Santa Clarita are within the service area of the City's existing parklands and open space areas. Therefore, these properties receive special benefit from the existing facilities. The existing facilities are distributed throughout all areas of the City. Due to the uniform distribution of the existing parklands and open space areas in the City, it is considered a reasonable approximation of the ultimate service area of the parklands and open space to be obtained, developed and preserved through the Program.

Any future acquisition of undeveloped lands will be within the City of Santa Clarita city limits or within the service area of the City's existing parklands and open space areas. Due to this account and the fact that any undeveloped lands outside the City boundaries will remain essentially in their natural state, these additional areas are not considered to increase the benefit boundaries of the District.

Additional general benefits to the public at large are considered incidental and non-quantifiable and are more than adequately funded by the City's additional contribution.

## G. SPECIAL BENEFIT METHODOLOGY

The District boundaries are coterminous with the City of Santa Clarita. To establish the special benefit to the individual parcels within the District, a Benefit Unit system is utilized. Each parcel of land is assigned Benefit Units (BU's) in proportion to the estimated special benefit the parcel receives relative to the other parcels within the District from the Program. Benefit Units are established by considering both the dwelling unit equivalency of a property and the benefits provided, as discussed above.

**Basic Formula:**

(Equivalent Dwelling Units) x (Benefit Factor) = Benefit Units

## EQUIVALENT DWELLING UNITS

In order to allocate benefit fairly between the parcels, an Equivalent Dwelling Unit (EDU) methodology is utilized, which equates different types of land uses to a single-family residential parcel, thereby allowing a uniform method of assessment.

The EDU method uses the single family home as the basic unit of apportionment. A **single family home** equals one Equivalent Dwelling Unit (EDU). Every other land use is converted to EDU's as described below. All assessable properties in the District are assigned dwelling units and land use classifications per the County Assessor's roll. (Inaccuracies in the County data will be reviewed on a case by case basis as they are brought to the City's attention.)

The methodology to calculate the EDU's for other residential land uses and for non-residential parcels is as follows:

Every land use is converted to EDU's. Parcels containing apartments are converted to EDU's based on the number of dwelling units on each parcel of land; non-residential parcels are converted based on the lot size of each parcel of land.

Table 1 outlines the EDU formula.

### Table I: EDU Formula

| Land Use | Assessed Unit | x | EDU Factor | = | Equivalent Dwelling Unit Rate (EDU) |
|---|---|---|---|---|---|
| **Residential** | | | | | |
| Single family home | 1 dwelling | x | 1 | = | 1.00 EDU/dwelling |
| Single family vacant | 1 parcel | x | 0.25 | = | 0.25 EDU/parcel |
| Multi-Family (incl. Condo/Apt) | 1 dwelling | x | 0.75 | = | 0.75 EDU/dwelling |
| Mobile Home Parks | 1 space | x | 0.5 | = | 0.50 EDU/space |
| **Developed Non-Residential** | | | | | |
| Commercial, Industrial, | 1 acre | x | 6 | = | 6.00 EDU/acre |
| Government, Church | | | | | 1.00 EDU/parcel min |
| **Vacant** | | | | | |
| | 1 acre | x | 1.5 | = | 1.50 EDU/acre |
| | | | | | 0.25 EDU/parcel min |
| | 5 acre | x | 1.5 | = | 7.50 EDU/parcel max |

### *Residential*

**Single Family Residences (SFR).** A single family home equals 1 EDU.

**Multi-family Residences (Apartments and Condominiums) and Mobile Home Parks.** Multifamily residential parcels and Mobile Home Park equivalencies are determined by multiplying the number of dwelling units on each parcel by 0.75 and 0.5, respectively, due to the relative population density of these types of dwelling units and reduced unit size compared to the typical density and size of an SFR. Studies have consistently shown that the average apartment unit impacts infrastructure approximately 75% as much as a single-family residence and the average mobile home unit impacts infrastructure approximately 50%. (Sources: Institute of Transportation Engineers Informational Report Trip Generation, Fifth Edition, 1991; Metcalf and Eddy, Wastewater Engineering Treatment, Disposal, Reuse, Third Edition, 1991). Trip generation and wastewater usage are a function of population density. Based on this, it is concluded that other infrastructure will be similarly impacted at a reduced level. The smaller average unit size of multiple-residential and mobile homes results in a lesser enhancement per unit to property values.

The EDU's assigned to a multi-residential or to a mobile home parcel are calculated based on the number of dwelling units and the appropriate EDU factor. For example, the EDU factor for multi-residential (0.75) is multiplied by the number of dwelling units on the parcel to determine the total EDU's for the multiple residential parcel. Similarly, the total EDU's for a mobile home parcel are calculated by multiplying the EDU factor (0.5) by the number of mobile home units on the parcel.

### *Developed Non-Residential*

Developed non-residential properties are defined as improved commercial, industrial and institutional properties (such as churches). In converting these properties to EDU's, the size of the parcels is compared to the median size of a single-family residential lot, which is 0.17 acres. This equals approximately 6 SFR lots per acre of land. Therefore, developed non-residential parcels are assigned EDU’s at a rate of 6 EDU’s per acre. The minimum EDU assignment for a developed non-residential parcel is 1.0 EDU per parcel, which is the same as a developed SFR.

The area of non-residential condominium parcels is calculated based on the individual area of the condo plus an equal share of the common area associated with the condominium project.

### *Vacant*

Vacant property consists of parcels with few or no improved structures. These properties have virtually no impacts on infrastructure to make a comparison to developed property; however, based on the Los Angeles County Assessor’s data, the average land value of an SFR property is between 45% and 50% of the total value. Splitting the difference between value and impacts, vacant property is assigned EDU’s at the rate of 25 percent of improved property.

A vacant parcel, designated exclusively for a single-family residential unit by a recorded Tract Map or Parcel Map, will be assigned 0.25 EDUs per lot.

Other vacant parcels, including those properties designated as agricultural, are assessed based upon the acreage of the parcel. All of these parcels will be assigned EDU's at the rate of 25% of the developed non-residential properties, or 1.5 EDU’s per acre.

Regarding larger vacant properties, a strict application of the EDU rate per acre will result in an inappropriately large assessment, particularly considering the fact that the vacant parcel provides some of the open space attributes the park system endeavors to provide. As the size of a parcel increases, it begins to provide proportionally larger open space characteristics. In order to recognize this, the EDU rate for vacant, non-SFR property is applied to the first 5 acres only. This provides the City with a mechanism to effectively model the benefits received by vacant, non-SFR property in the more urbanized areas (where vacant lot sizes tend to be smaller because of encroaching development) while also crediting the open space benefits provide by larger, undeveloped parcels.

Therefore, vacant, non-SFR parcels will be assessed 1.5 EDU’s per acre up to a maximum of 5 acres per parcel. The minimum EDU assignment for a vacant parcel is 0.25 EDU’s per parcel, which is 25% of a developed SFR.

### *Exempt*

Exempted from the assessment are the areas of streets, avenues, lanes, roads, drives, courts, alleys, and public easements, rights-of-ways, and parkways. Also exempted from assessment are utility rights-of-way, common areas (such as in condominium complexes), landlocked parcels and small parcels vacated by the City as these parcels have little or no value and therefore do not benefit from the improvements.
In addition, parks, greenbelts and open space are exempt from assessment, as are public schools, golf courses (which are considered as parks in most cities' planning documents) and cemeteries, which are also considered to provide a type of parkland and open space.

### *Government-Owned Property*

Prop. 218 states, "Parcels within a district that are owned or used by any [public] agency…shall not be exempt from the assessment unless the agency can demonstrate…that [the] parcels in fact receive no special benefit."

Government-owned (public) properties must be assessed for the benefits they receive. If no benefit is received (for example, parks and schools as discussed above) then the government owned parcels can be "exempt" from the assessment. Uses such as City Hall and maintenance yards are assessed as developed non-residential property.

## BENEFIT FACTORS

Proper preservation of parklands and open space within and surrounding the City benefits properties by providing environmental quality and recreational enhancement. The amount of benefit received will vary with the different land use of the property. There are two categories from which the total benefit of a parcel is derived, and these benefits are weighted equally with respect to each other:

1. **Environmental Quality Benefit.** The improvement of the quality of air, visual aesthetics and attractiveness of the community as a place to live, work and do business. All properties within the District are considered to receive this benefit.

2. **Recreation Enhancement Benefit.** The availability of useable and safe parkland and recreational facilities. Only residential properties are considered to receive this benefit as it more directly relates to the enhancement of the quality of life in the residential community.

Table 2 outlines the Benefit Factors for the Open space, park and parkland program:

### Table II: Open Space & Parkland Benefit Factors

| Land Use: | Residential | Non-Residential |
|---|---|---|
| 1. Environmental Quality | 0.5 | 0.5 |
| 2. Recreation Enhancement | 0.5 | 0 |
| **Total Benefit Factor =** | 1 | 0.5 |

## BENEFIT UNITS

As discussed above, the basic formula for calculating Benefit Units for each property is as follows:

**Basic Formula:**

(Equivalent Dwelling Units) x (Benefit Factor) = Benefit Units

Table 3, below, outlines the Benefit Unit calculations for various properties:

### Table III: Benefit Unit Calculation

| Land Use | Assessed Unit | x | EDU Factor | x | Benefit Factor | = | Benefit Unit (BU) Rate | |
|---|---|---|---|---|---|---|---|---|
| **Residential** | | | | | | | | |
| Single family home | 1 dwelling | x | 1.0 | x | 1.0 | = | 1.00 | BU / dwelling |
| Single family vacant | 1 parcel | x | 0.25 | x | 1.0 | = | 0.25 | BU / parcel |
| Multi-Family (incl. Condo) | 1 dwelling | x | 0.75 | x | 1.0 | = | 0.75 | BU / dwelling |
| Mobile Home Parks | 1 space | x | 0.5 | x | 1.0 | = | 0.50 | BU / space |
| **Developed Non-Residential** | | | | | | | | |
| Commercial, Industrial, Gov, Church | 1 acre | x | 6 | x | 0.5 | = | 3.00 | BU / acre |
| | 1 EDU min | | | x | 0.5 | = | 0.50 | BU/ parcel min |
| **Vacant** | | | | | | | | |
| | 1 acre | x | 1.5 | x | 0.5 | = | 0.75 | BU / acre |
| | | | 0.25 EDU min | x | 0.5 | = | 0.125 | BU/ parcel min |
| | 5 acre | x | 1.5 | x | 0.5 | = | 3.75 | BU/ parcel max |

Table 4, below, provides a summary of Benefit Units for the City of Santa Clarita.

### Table IV: Assessable Benefit Unit Summary by Land Use

| Land Use | No. of Parcels | No. of dwellings | No. of Acres | No. Of Benefit Units |
|---|---|---|---|---|
| **Residential** | | | | |
| Single family home | 41,504 | 41,504 | | 41,504.00 |
| Single family vacant | 1,272 | 1,272 | | 318.00 |
| Multi-family residential | 435 | 12,343 | | 9,257.25 |
| Condominiums | 19,306 | 19,306 | | 14,479.50 |
| Mobile Home Parks | 29 | 2,508 | | 1,254.00 |
| **Developed Non-Residential** | | | | |
| Commercial / Industrial (incl. Government & Church) | 2,001 | | 3,489.84 | 10,532.85 |
| **Vacant** | | | | |
| Vacant 5 acres or less | 614 | | 892.48 | 683.41 |
| Vacant more than 5 acres | 296 | | 7,577.45 | 1,110.00 |
| **Totals:** | **65,457** | **76,933** | **11,959.76** | **79,139.01** |

## ASSESSMENT RATE CALCULATION

Table 5 provides the assessment rate calculation for FY 2021/2022.

### Table V: Assessment Rate Calculation

| Estimated Budget | No. of BU's | FY 2021/22 Applied Assessment per BU | FY 2021/22 Maximum* Assessment per BU | FY 2020/21 Maximum Assessment per BU |
|---|---|---|---|---|
| $3,086,419 | 79,139.01 | $39.00 | $39.00 | $38.00 |

* The maximum annual assessment rate will be increased each year by $1.00 per Benefit Unit (table below). The actual assessments levied in any fiscal year will be as approved by the City Council and may not exceed the maximum assessment rate without receiving property owner approval for the increase.

Sample calculations for various land uses are provided in the following Table 6:

### Table VI: Sample Calculations

| Land Use | No. of Units or Parcel Size | x | EDU Factor | x | Benefit Factor | = | Benefit Units | FY 21-22 Annual Asmt. |
|---|---|---|---|---|---|---|---|---|
| **Residential** | | | | | | | | |
| Single family home | 1 dwelling | x | 1 | x | 1 | = | 1 | $39.00 |
| Single family vacant (subdivided) | 1 parcel | x | 0.25 | x | 1 | = | 0.25 | $9.75 |
| Condominium | 1 dwelling | x | 0.75 | x | 1 | = | 0.75 | $29.25 |
| Duplex | 2 dwellings | x | 0.75 | x | 1 | = | 1.5 | $58.50 |
| 4-plex | 4 dwellings | x | 0.75 | x | 1 | = | 3 | $117.00 |
| 10-unit Apartment | 10 dwellings | x | 0.75 | x | 1 | = | 7.5 | $292.50 |
| Mobile Home Parks | 10 spaces | x | 0.5 | x | 1 | = | 5 | $195.00 |
| **Developed Non-Residential** | | | | | | | | |
| Commercial, Industrial, Gov, Church | 0.25 acres | x | 6 | x | 0.5 | = | 0.75 | $29.25 |
| Commercial, Industrial, Gov, Church | 0.5 acres | x | 6 | x | 0.5 | = | 1.5 | $58.50 |
| Commercial, Industrial, Gov, Church | 1 acre | x | 6 | x | 0.5 | = | 3 | $117.00 |
| **Vacant** | | | | | | | | |
| Vacant | 0.5 acres | x | 1.5 | x | 0.5 | = | 0.38 | $14.82 |
| Vacant | 1 acres | x | 1.5 | x | 0.5 | = | 0.75 | $29.25 |
| Vacant | 5 acres | x | 1.5 | x | 0.5 | = | 3.75 | $146.25 |
| Vacant * | 10 acres | | | | | = | 3.75 | $146.25 |

* Vacant parcels with more than 5 acres are assessed a maximum amount of 3.75 benefit units.

## ASSESSMENT DURATION

The Open Space Preservation District is proposed to exist for thirty (30) years beginning with 2007/08 and maturing in Fiscal Year 2036/37.

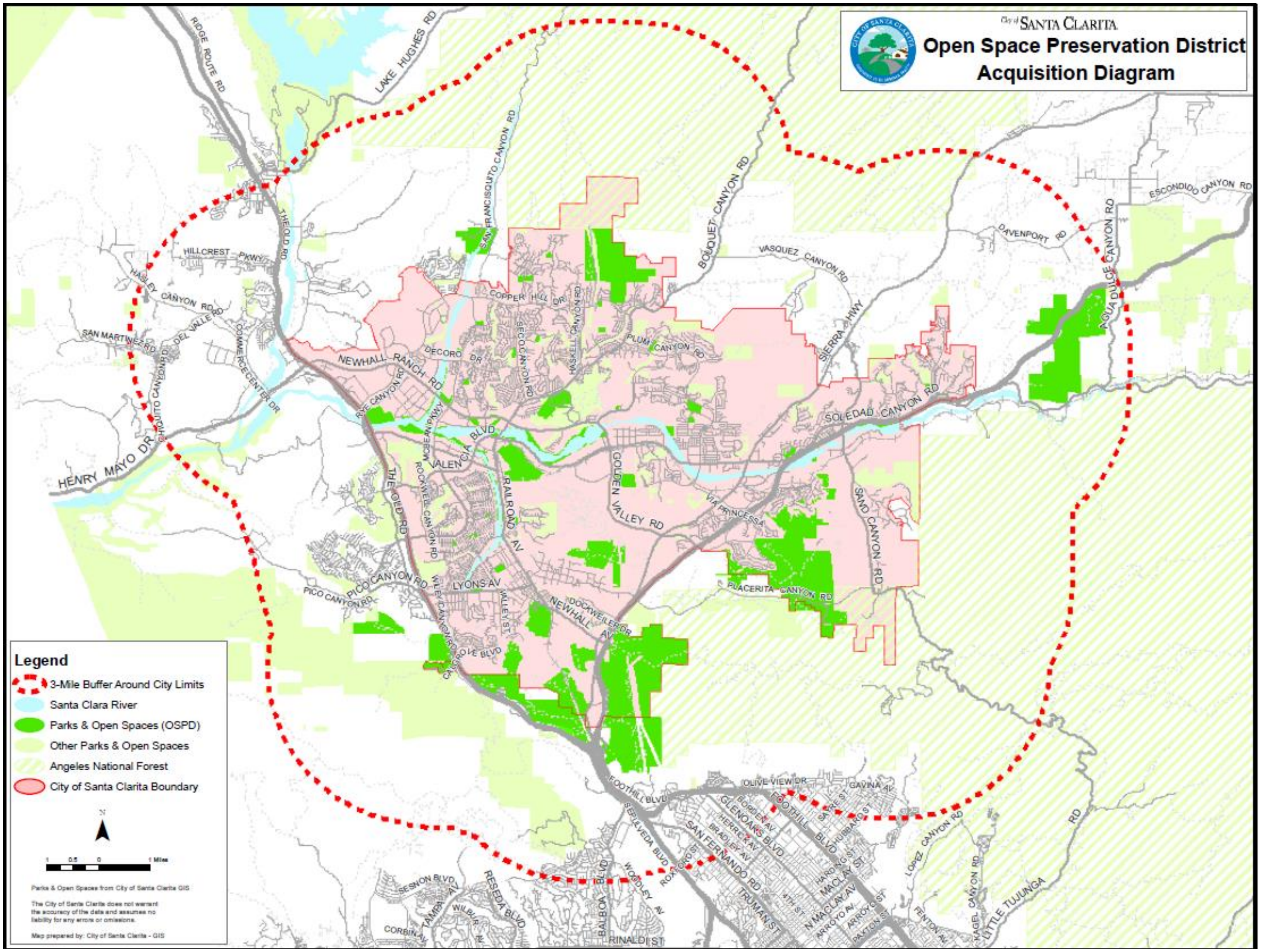
# V. ASSESSMENT ROLL

The Assessment Roll is a listing of the proposed assessment for Fiscal Year 2021/2022 apportioned to each lot or parcel, as shown on the last equalized roll of the Assessor of the County of Los Angeles. The Preliminary Assessment Roll is provided as part of this report and is incorporated herein.

The description of each lot or parcel is part of the records of the Assessor of the County of Los Angeles and these records are, by reference, made part of this Report.

# VI. ASSESSMENT DIAGRAM

The Assessment Diagram for the District is provided on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Assessor of the County of Los Angeles, for the year when this Report was prepared, and are incorporated by reference herein and made part of this Report.


City of Santa Clarita
Open Space Preservation District
Acquisition Diagram
Legend
3-Mile Buffer Around City Limits
Santa Clara River
Parks & Open Spaces (OSPD)
Other Parks & Open Spaces
Angeles National Forest
City of Santa Clarita Boundary
N
1 0.5 0 1 Miles
Parks & Open Spaces from City of Santa Clarita GIS
The City of Santa Clarita does not warrant the accuracy of the data and assumes no liability for any errors or omissions.
Map prepared by: City of Santa Clarita - GIS
LAKE HUGHES RD
RIDGE ROUTE RD
SAN FRANCISQUITO CANYON RD
BOUQUET CANYON RD
VASQUEZ CANYON RD
DAVENPORT RD
ESCONDIDO CANYON RD
AGUA DULCE CANYON RD
HILLCREST PKWY
HASLEY CANYON RD
COPPER HILL DR
PLUM CANYON RD
SIERRA HWY
NEWHALL RANCH RD
DECORO DR
SOLEDAD CANYON RD
HENRY MAYO DR
VALENCIA BLVD
GOLDEN VALLEY RD
VIA PRINCESSA
SAND CANYON RD
RAILROAD AV
THE OLD RD
PICO CANYON RD
LYONS AV
NEWHALL AV
DOCKWEILER DR
PLACERITA CANYON RD
FOOTHILL BLVD
OLIVE VIEW DR
SAN FERNANDO RD
GLENOAKS BLVD
SESNON BLVD
RESEDA BLVD
BALBOA BLVD
RINALDI ST
LITTLE TUJUNGA RD
LOPEZ CANYON RD
KAGEL CANYON RD

WILLDAN

# Appendix 1

# Certificates of Participation
# Open Space and Parkland Acquisition Program 2007 Series
# Debt Service Schedule

## BOND DEBT SERVICE

Santa Clarita Public Financing Authority
Refunding Lease Revenue Bonds 2016 Series B - Open Space
FINAL VERIFIED NUMBERS

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service | Bond Balance | Total Bond Value |
|---|---|---|---|---|---|---|---|
| 06/22/2016 | | | | | | 14,020,000 | 14,020,000 |
| 10/01/2016 | 295,000 | 4.000% | 123,064.22 | 418,064.22 | 418,064.22 | 13,725,000 | 13,725,000 |
| 04/01/2017 | | | 217,853.13 | 217,853.13 | | 13,725,000 | 13,725,000 |
| 10/01/2017 | 275,000 | 4.000% | 217,853.13 | 492,853.13 | 710,706.26 | 13,450,000 | 13,450,000 |
| 04/01/2018 | | | 212,353.13 | 212,353.13 | | 13,450,000 | 13,450,000 |
| 10/01/2018 | 305,000 | 4.000% | 212,353.13 | 517,353.13 | 729,706.26 | 13,145,000 | 13,145,000 |
| 04/01/2019 | | | 206,253.13 | 206,253.13 | | 13,145,000 | 13,145,000 |
| 10/01/2019 | 340,000 | 4.000% | 206,253.13 | 546,253.13 | 752,506.26 | 12,805,000 | 12,805,000 |
| 04/01/2020 | | | 199,453.13 | 199,453.13 | | 12,805,000 | 12,805,000 |
| 10/01/2020 | 375,000 | 4.000% | 199,453.13 | 574,453.13 | 773,906.26 | 12,430,000 | 12,430,000 |
| 04/01/2021 | | | 191,953.13 | 191,953.13 | | 12,430,000 | 12,430,000 |
| 10/01/2021 | 410,000 | 4.000% | 191,953.13 | 601,953.13 | 793,906.26 | 12,020,000 | 12,020,000 |
| 04/01/2022 | | | 183,753.13 | 183,753.13 | | 12,020,000 | 12,020,000 |
| 10/01/2022 | 445,000 | 4.000% | 183,753.13 | 628,753.13 | 812,506.26 | 11,575,000 | 11,575,000 |
| 04/01/2023 | | | 174,853.13 | 174,853.13 | | 11,575,000 | 11,575,000 |
| 10/01/2023 | 485,000 | 4.000% | 174,853.13 | 659,853.13 | 834,706.26 | 11,090,000 | 11,090,000 |
| 04/01/2024 | | | 165,153.13 | 165,153.13 | | 11,090,000 | 11,090,000 |
| 10/01/2024 | 525,000 | 4.000% | 165,153.13 | 690,153.13 | 855,306.26 | 10,565,000 | 10,565,000 |
| 04/01/2025 | | | 154,653.13 | 154,653.13 | | 10,565,000 | 10,565,000 |
| 10/01/2025 | 565,000 | 4.000% | 154,653.13 | 719,653.13 | 874,306.26 | 10,000,000 | 10,000,000 |
| 04/01/2026 | | | 143,353.13 | 143,353.13 | | 10,000,000 | 10,000,000 |
| 10/01/2026 | 610,000 | 4.000% | 143,353.13 | 753,353.13 | 896,706.26 | 9,390,000 | 9,390,000 |
| 04/01/2027 | | | 131,153.13 | 131,153.13 | | 9,390,000 | 9,390,000 |
| 10/01/2027 | 655,000 | 2.000% | 131,153.13 | 786,153.13 | 917,306.26 | 8,735,000 | 8,735,000 |
| 04/01/2028 | | | 124,603.13 | 124,603.13 | | 8,735,000 | 8,735,000 |
| 10/01/2028 | 690,000 | 2.000% | 124,603.13 | 814,603.13 | 939,206.26 | 8,045,000 | 8,045,000 |
| 04/01/2029 | | | 117,703.13 | 117,703.13 | | 8,045,000 | 8,045,000 |
| 10/01/2029 | 725,000 | 2.000% | 117,703.13 | 842,703.13 | 960,406.26 | 7,320,000 | 7,320,000 |
| 04/01/2030 | | | 110,453.13 | 110,453.13 | | 7,320,000 | 7,320,000 |
| 10/01/2030 | 755,000 | 2.125% | 110,453.13 | 865,453.13 | 975,906.26 | 6,565,000 | 6,565,000 |
| 04/01/2031 | | | 102,431.25 | 102,431.25 | | 6,565,000 | 6,565,000 |
| 10/01/2031 | 795,000 | 2.375% | 102,431.25 | 897,431.25 | 999,862.50 | 5,770,000 | 5,770,000 |
| 04/01/2032 | | | 92,990.63 | 92,990.63 | | 5,770,000 | 5,770,000 |
| 10/01/2032 | 835,000 | 2.375% | 92,990.63 | 927,990.63 | 1,020,981.26 | 4,935,000 | 4,935,000 |
| 04/01/2033 | | | 83,075.00 | 83,075.00 | | 4,935,000 | 4,935,000 |
| 10/01/2033 | 875,000 | 4.000% | 83,075.00 | 958,075.00 | 1,041,150.00 | 4,060,000 | 4,060,000 |
| 04/01/2034 | | | 65,575.00 | 65,575.00 | | 4,060,000 | 4,060,000 |
| 10/01/2034 | 935,000 | 4.000% | 65,575.00 | 1,000,575.00 | 1,066,150.00 | 3,125,000 | 3,125,000 |
| 04/01/2035 | | | 46,875.00 | 46,875.00 | | 3,125,000 | 3,125,000 |
| 10/01/2035 | 990,000 | 3.000% | 46,875.00 | 1,036,875.00 | 1,083,750.00 | 2,135,000 | 2,135,000 |
| 04/01/2036 | | | 32,025.00 | 32,025.00 | | 2,135,000 | 2,135,000 |
| 10/01/2036 | 1,040,000 | 3.000% | 32,025.00 | 1,072,025.00 | 1,104,050.00 | 1,095,000 | 1,095,000 |
| 04/01/2037 | | | 16,425.00 | 16,425.00 | | 1,095,000 | 1,095,000 |
| 10/01/2037 | 1,095,000 | 3.000% | 16,425.00 | 1,111,425.00 | 1,127,850.00 | | |
| | 14,020,000 | | 5,668,945.62 | 19,688,945.62 | 19,688,945.62 | | |