

RESOLUTION NO. 25-46

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARITA,
CALIFORNIA, ESTABLISHING ASSESSMENT SETTING PROCEDURES FOR
LANDSCAPE MAINTENANCE DISTRICTS AND ZONES UNDER PROPOSITION 218
AND GOVERNMENT CODE SECTIONS 53750 THROUGH 53759.2

WHEREAS, the City of Santa Clarita (City) is authorized to establish Landscape Maintenance Districts (LMDs) pursuant to the Landscaping and Lighting Act of 1972 (Streets and Highways Code §§ 22500, *et seq.*) (the Act), under which it has formed certain LMD zones. In addition, the City assumed responsibility for other LMD zones that were originally established by the County of Los Angeles and subsequently transferred to the City. In each case, the LMDs impose annual assessments on property owners who receive a special benefit from maintenance and improvements of landscaping and related facilities (as defined by the Act) performed by the City and funded by the LMD. For the purpose of this resolution, an “LMD” may refer to either a “district” or a “zone” within that district; and

WHEREAS, the City has established and manages 62 LMD zones as described on the City’s website, each of which confers special benefits upon properties within the geographical boundaries of the corresponding LMD zone; collectively, those 62 LMD zones encompass over 2,300 acres of landscape areas including street medians, parkways, side-panels, three parks, numerous monument signs, more than 29 miles of paseos, approximately 60,000 trees, and 46 miles of landscaped medians; and

WHEREAS, following voter approval in November 1996 of Proposition 218 (California Constitution Articles XIII C and XIII D; as it is implemented through Government Code sections 53750 through 53759.2, as well as relevant judicial interpretation), the City is required to comply with the requirements of the Act and Proposition 218 in order to establish a new or increased assessment. Provided, however, that any LMD established prior to the effective date of Proposition 218 is exempt from compliance with Proposition 218 if the assessment is imposed exclusively to finance the capital costs or maintenance and operation expenses for improvements such as those funded through the City’s LMDs (see California Constitution Article XIII D, Section 5); and

WHEREAS, to the extent an existing LMD was initially established in accordance with the Act, and is either exempt from Proposition 218 or was initially formed in compliance with Proposition 218, the City is authorized to levy annual assessments without further compliance with Proposition 218 so long as the amount levied does not exceed the amount of the initially approved assessment, in accordance with the requirements of the Act (see Streets & Hwy Code §§ 22620 – 22631); and

WHEREAS, under Proposition 218, an LMD assessment is defined as “a levy or charge upon real property by an agency for a special benefit conferred upon the real property,” and is subject to the requirements of California Constitution Article XIII D, Section 4. In general, the City may only establish a new LMD assessment or increase an existing one if it:

(1) complies with the requirements of the Act for the preparation of a resolution of initiation, a resolution of intention, and a resolution of formation, based on the analysis of an Engineer's Report;

(2) calculates the proposed assessment in accordance with Proposition 218, as described in this resolution;

(3) conducts a noticed public hearing before the City Council, as described in this resolution; and

(4) determines that a majority protest has not resulted from the ballot proceeding conducted in connection with the public hearing (a majority protest exists if the weighted ballots submitted in opposition to the proposed assessment exceed the weighted ballots submitted in favor, with the weights based on the proportional financial obligation of each property owner who submitted a ballot); and

WHEREAS, under Government Code sections 53759.1 and 53759.2 (known as AB 2257), the City may establish supplemental procedures for objecting property owners to exhaust administrative remedies, also described in this resolution, by which the City will take specified actions in response to any "timely written objection." Under this process, only an owner who submits a timely written objection will have the right to challenge a proposed increase in LMD assessment through a legal proceeding. (These supplemental processes were authorized by Assembly Bill No. 2257, Chapter 561, Statutes of 2024, effective January 1, 2025.); and

WHEREAS, the purpose of this resolution is to establish and document the procedures the City will follow when considering proposed new or increased LMD assessments, including compliance with Proposition 218 and the administrative remedy requirements set forth in AB 2257. These procedures are intended to provide property owners a meaningful opportunity to submit written objections to proposed new or increased assessments early in the assessment process and to allow the City to address or resolve those objections prior to the City Council's final decision on whether to adopt a proposed new or increased assessment pursuant to Proposition 218; and

WHEREAS, this resolution establishes procedural steps the City will follow to implement the administrative remedies that property owners must exhaust under Government Code sections 53759.1 before initiating any legal action to challenge an assessment. In general, at least 45 days prior to a public hearing on a proposed new or increased assessment, the City will make the proposed assessment available to the public and will post the written basis for the proposed new or increased assessment on its website. During this period (for at least 45 days after notice of public hearing), any property owner may review the proposed assessment and submit a written objection specifying the grounds for alleging noncompliance with Proposition 218. The City will consider each timely written objection and provide a substantive written response before the close of the public hearing as described in section 5 of the LMD Assessment Setting Procedures, attached hereto as Exhibit A; and

WHEREAS, for any new or increased assessment approved by the City implementing the procedures described in this resolution, a person or entity shall be prohibited from bringing a judicial action or proceeding alleging noncompliance with Article XIII D of the California Constitution for such new or increased assessment, unless that person or entity has timely

submitted to the City a written objection to that assessment that specifies the grounds for alleging noncompliance with Proposition 218; and

WHEREAS, the City Council hereby intends to adopt the exhaustion of administrative remedies procedure as outlined in Government Code section 53759.1 and the administrative record principles contained in Government Code section 53759.2.

NOW THEREFORE, the City Council of the City of Santa Clarita, California, does hereby resolve as follows:

SECTION 1. The City Council hereby adopts the LMD Assessment Setting Procedures attached hereto as Exhibit A, and incorporated herein by reference (LMD Assessment Setting Procedures). The LMD Assessment Setting Procedures explicitly incorporate and implement the requirements contained in the Act, Proposition 218 (including the Proposition 218 Omnibus Implementation Act), and the procedures by which property owners are required to exhaust administrative remedies as set forth in Government Code § 53759.1, subdivision (c).

SECTION 2. For any LMD assessment adopted or approved by the City implementing the procedures described in this resolution, a person or entity shall be prohibited from bringing a judicial action or proceeding alleging noncompliance with Article XIII D of the California Constitution for that assessment unless that person or entity has timely submitted to the City a written objection to the assessment that specifies the grounds for alleging noncompliance with Proposition 218, as provided below.

SECTION 3. The City Council hereby adopts the administrative record principles contained in Government Code section 53759.2.


SECTION 4. This resolution will take effect immediately upon adoption and will apply to any proposed new or increased LMD assessments of which notice is provided in accordance with this resolution.

SECTION 5. The City Council authorizes the City Manager to take such other and additional actions as may be reasonably necessary to implement the purpose of this resolution and implement the exhaustion of administrative remedies procedure adopted herein.

SECTION 6. That the City Clerk of the City of Santa Clarita is hereby directed to record the adopted Resolution with the Los Angeles County Recorder.

SECTION 7. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED, AND ADOPTED this 8th day of July 2025.


MAYOR

ATTEST:


CITY CLERK

DATE: 7/21/25

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF SANTA CLARITA)

I, Mary Cusick, City Clerk of the City of Santa Clarita, do hereby certify that the foregoing Resolution No. 25-46 was duly adopted by the City Council of the City of Santa Clarita at a regular meeting thereof, held on the 8th day of July 2025, by the following vote:

AYES: COUNCILMEMBERS: Ayala, McLean, Weste, Gibbs, Miranda

NOES: COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: None


CITY CLERK

LMD Assessment Setting Procedures

These "LMD Assessment Setting Procedures" ("Procedures") describe the processes that will be followed by the City of Santa Clarita ("City") in establishing any new or increased Landscape Maintenance District ("LMD") assessments, as summarized in the Resolution identified in the header of this Exhibit "A." The LMD Assessment Setting Procedures include compliance with Proposition 218 (including the consideration of "assessment ballots" from record owners) as well as the procedures for exhausting administrative remedies under Government Code section 53759.1 (including the consideration of "written objections" from record owners).

1. Overview of Exhaustion Procedure

If the City publishes a notice of public hearing identifying procedures for property owners to submit written objections (described in Section 4, below),¹ the City will follow the "exhaustion procedure" set forth herein, to be conducted concurrently with the Proposition 218 process, for the City Council's consideration of any proposed new or increased LMD assessment. This exhaustion procedure shall be conducted in accordance with "Proposition 218" (California Constitution Article XIII D; as it is implemented by the Legislature at Government Code section 53750 et seq., and as it has been interpreted by judicial decisions), and the particular procedures set forth in Government Code section 53759.1. The exhaustion procedure provides an opportunity for record owners to submit a "timely written objection" to identify substantive bases for asserting proposed LMD assessment do not comply with Proposition 218. A "record owner" may be referred to in these Procedures as the "owner" or "property owner." The "record owner" shall include any tenant who is directly liable to pay the assessment.

- a. City staff will post these Procedures on the City's internet website, and the Proposition 218 public hearing notice mailed to all record owners will prominently incorporate a notice of the internet website and these Procedures.
- b. The mailed public hearing notice will identify the date and time by which timely written objections must be submitted to the City, and the date will be no less than 45 calendar days after the notice is mailed to record owners.
- c. City staff will review timely written objections and prepare written responses providing the substantive basis for retaining or altering the proposed LMD assessment in response to the written objections. City staff will present its written responses to the City Council prior to the close of the public hearing for the Proposition 218 protest hearing, and the City Council will review to determine whether action is needed in response to the written objections or written responses.

¹ If the City publishes a notice of public hearing that does not identify procedures for property owners to submit written objections, the City will conduct the public hearing in compliance with Proposition 218.

- d. Following the City Council's review and response to timely written objections and written responses, it is within the discretion of the City Council to proceed with considering assessment ballots to determine whether a majority protest was submitted in accordance with Proposition 218; and, if there is no majority protest, to then consider approval of the proposed LMD assessment, as described herein.
- e. **Rate Challenger Must Exhaust Administrative Remedies.** No claim, suit for damages, suit for injunctive relief, petition for writ of mandamus, or administrative or judicial proceeding shall be brought against the City (including the City Council, or its employees, officers, or designees) regarding a challenge to a proposed new or increased LMD assessment unless the challenging party first exhausts its administrative remedies by complying with these Procedures and submits to the City a timely written objection.

2. **Notice of Proposition 218 Public Hearing and Initiating Exhaustion Procedure**

Prior to approving or imposing any new or increased LMD assessment, the City Council will consider and approve a resolution of initiation and a resolution of intention, supported by an engineer's report, in accordance with the requirements of the Landscaping and Lighting Act of 1972 (Streets and Highways Code §§ 22500, *et seq.*) (the "Act"). The engineer's report shall be prepared by a registered professional engineer certified by the State of California, and it shall provide evidence and describe how the improvements and/or services funded by the assessments confer special benefits on parcels subject to the LMD assessment, as well as describing any general benefits.

The resolution of intention shall include a notice of public hearing to consider the proposed LMD assessment, and the City will mail the public hearing notice to each record owner no later than 45 days prior to the public hearing. Provided, however, if the public hearing notice incorporates the exhaustion of administrative remedies procedure (set forth in Procedure Section 2(b)), the City will incorporate additional time for the notice of public hearing in order to allow a reasonable time for the City to prepare written responses to any timely written objections (as an example, if the public hearing notice is mailed 60 days prior to the hearing date, that would allow the City 15 days to prepare written responses prior to the close of the public hearing).

- a. **Content of Public Hearing Notice.** The public hearing notice will include the content, and be mailed to each record owner with an assessment ballot, as outlined below. The envelope containing the notice and ballot will include, on its face, in at least 16-point bold type and in substantially the following form, the statement: "OFFICIAL BALLOT ENCLOSED." The notice will include:
 - i. The total proposed assessment for the entire district.
 - ii. The proposed assessment for the record owner's parcel.
 - iii. The duration of the assessment; e.g., "If approved, the assessment will be collected annually, until the City Council determines that the assessment is no longer necessary."

- iv. The reason for the assessment. This includes the improvements to be built and/or maintained or the services to be provided.
 - v. The basis upon which the amount of the proposed assessment was calculated. For example, provide the formula used to calculate the assessment on each parcel, and the data specific to parcel use to calculate its assessment.
 - vi. Public hearing date, time, and location. The hearing must take place no earlier than 45 days from the date the notice is mailed.
 - vii. An assessment ballot that includes the City's address for receipt of the ballot, a place where the person submitting the ballot may indicate the person's name and sign the ballot, a reasonable identification of the parcel subject to the assessment, and a clear indication that the ballot is submitted either in support of or in opposition to the proposed LMD assessment. The assessment ballot shall be in a form that conceals its contents once it is sealed by the person submitting the ballot.
 - viii. A summary of the procedures for the completion, return, and tabulation of the assessment ballots, along with an assessment ballot (See Procedures Sections 4 and 6).
 - ix. A statement that the assessment shall not be imposed if the assessment ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment, with ballots weighted according to the proportional financial obligation of the affected property.
 - x. All information required for the exhaustion of administrative remedies requirements, as set forth in Procedures Section 2(b).
 - xi. How members of the public may obtain additional information regarding the proposed new or increased assessment, or any relevant procedures (including these Procedures), including a link to information that is available on the City's internet website or by requesting information via email, telephone, or in person.
- b. **Posting Exhaustion Procedures for Written Objections on City's Website.** If the City chooses to follow the exhaustion procedure for written objections, concurrently with mailing the public hearing notice, the City will post on its internet website the written basis for the proposed LMD assessment (particularly including a copy of the Resolution of Initiation, Resolution of Intention, and Engineer's Report) and a link to the Proposition 218 public hearing notice. The mailed public hearing notice (under Procedures Section 2(a)) will be supplemented with the following prominently displayed information:

- i. The “deadline” (date and time) by which a “timely written objection” must be submitted to the City. The deadline will be no earlier than 45 days after the City mails to property owners the notice of the public hearing.
 - ii. The location to which written objections must be submitted to the City via mail, email, fax, or personal delivery.
 - iii. All substantive requirements for submitting a written objection. The record owner must comply with the requirements set forth in Procedures section 3, below, including specifying the grounds on which the owner alleges the proposed new or increased LMD assessment does not comply with Proposition 218.
 - iv. Prominently identify that any person’s failure to submit a timely written objection bars any right of that person to challenge the proposed new or increased fee through a legal proceeding.
- c. **Mailing Public Hearing Notice.** The City will mail the public hearing notice to each record owner of a parcel that is subject to payment of the new or increased LMD assessment. The notice shall be mailed to owner’s address shown on the last equalized property tax assessment roll.
- i. There is a rebuttable presumption that the most recent equalized property tax assessment roll of the Los Angeles County Recorder is sufficient evidence of the record owner of each parcel. A person may rebut the presumption by providing to the City written proof of ownership.
 - ii. The City Clerk, or designee, may certify by affidavit the proper mailing of notices described in these Procedures, and any such affidavit shall constitute conclusive proof of mailing in the absence of fraud.
 - iii. Failure of any person to receive notice shall not invalidate the hearing or its results.

3. Requirements for Submitting Timely Written Objections

In order for a record owner to submit a timely written objection, the objection must:

- a. Be received by the City at the location identified on the public hearing notice, no later than the deadline identified on the public hearing notice. The deadline may be no earlier than 45 days after the City mails to record owners the notice of public hearing.
- b. Be in writing submitted via mail, email, fax, or personal delivery (1) identifying the name of the record owner, and the street address or assessor’s parcel number (or other clear identification) of the property subject to the LMD assessment; and (2) signed by the record owner, or otherwise identifying that the record owner submitted the written objection, subject to verification by the City.

- c. Specify the grounds for alleging the proposed LMD assessment does not comply with Proposition 218. The grounds must identify (i) the substantive requirement of Proposition 218, and (ii) the reason the proposed LMD assessment does not comply with that requirement. It is not a legally sufficient written objection under these Procedures to simply claim that a proposed LMD assessment does not comply with Proposition 218, unless the written objection includes an explanation of the factual basis for the claim (the relevant provision of Proposition 218; and how that provision is not satisfied by the proposed LMD assessment). For any proposed new or increased LMD assessment, relevant substantive requirements of Proposition 218 include:
 - i. Identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed.
 - ii. Identify the special benefit derived by each identified parcel in relationship to the entirety of the City's costs of providing public improvements or maintenance and operation.
 - iii. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit to that parcel.
 - iv. Only special benefits are assessable, and the City must separate the general benefits from the special benefits conferred on a parcel.
 - v. Parcels within the geographical boundaries of an LMD that are owned by a governmental agency are not exempt from the LMD assessment unless the City demonstrates by clear and convincing evidence that the governmental agency receives no special benefit.
- d. Any submitted written objection shall be a public record, except to the extent the City determines that the public interest served by not disclosing clearly outweighs the public interest served by disclosure under Government Code section 7922.000. As a general rule, the City finds there is a substantial public interest in not disclosing written objections to protect the integrity of the process described herein during the time that: (A) written objections are still being submitted and (B) prior to the time that the Brown Act meeting agenda is posted (e.g., at least 72 hours before a regular meeting under Government Code section 54954.2).

4. Requirements for Submitting Assessment Ballots

- a. In order for a record owner to submit a timely assessment ballot, to be considered as a part of the Proposition 218 protest hearing described in Section 6, below, it must:
 - i. Be received by the City at the location identified on the public hearing notice, no later than the close of the public testimony portion of the public hearing. Ballots received after that deadline, even if postmarked earlier, cannot be counted or accepted.

- ii. Be on the form of assessment ballot provided by the City with the public hearing notice, with an identification of the parcel that is subject to the assessment and the annual LMD assessment proposed for the parcel. Provided, however, at any time prior to the close of the public hearing, any owner may request a replacement assessment ballot from the City Clerk.
 - iii. Clearly identify the name of the record owner submitting the ballot, be signed by the record owner, and clearly identify that the ballot is either (A) in opposition to the proposed LMD assessment or (B) in favor of the proposed LMD assessment.
 - iv. The assessment ballot shall be in a form that conceals its contents once it is sealed by the person submitting the ballot to the City.
 - v. A record owner may withdraw a ballot only if the withdrawal is submitted in writing by the record owner clearly indicating an intent to withdraw for an identified property, and it is received by the City at the location (and no later than the time) for submitting ballots. After a ballot is withdrawn, a record owner may submit a new or replacement ballot in accordance with the requirements of these Procedures. No other modification to a ballot may be made.
- b. Record owners of multiple parcels may submit one assessment ballot for each parcel owned within the boundaries of the proposed LMD.
 - c. More than one record owner of the same parcel may submit an assessment ballot, subject to an allocation of the vote for that parcel in accordance with Procedures Section 6. A record owner may request a proportional assessment ballot from the City Clerk to facilitate the allocation of the vote among multiple owners.
 - d. The City Clerk shall take custody of all submitted written objections and assessment ballots.
 - e. Assessment ballots will remain sealed and will not be opened or tabulated before the close of the public hearing. The assessment ballots will be public records during and after tabulation. The assessment ballot proceeding is not an election or voting for purposes of Article II of the California Constitution or the Elections Code.

5. City's Response to Timely Written Objections

- a. At the close of the written objection period, City staff shall review timely written objections and shall prepare written responses to the written objections. The City's written response will include: (i) the grounds on which the objection is (or is not) resulting in amendments to the proposed new or increased LMD assessment; and (ii) an explanation of the substantive basis for retaining or altering the proposed new or increased LMD assessment.

- b. City staff shall present the written responses to the City Council at the public meeting that was specified in the public hearing notice described in Procedures Section 2.
- c. In accordance with the Brown Act, the public will be provided an opportunity to address the City Council prior to the Council's action related to the timely written objections and written responses. (See Government Code section 54954.3(a).).
- d. In accordance with Government Code section 53759.1(d), the City Council shall:
(1) first exercise its legislative discretion in considering timely written objections and written responses, and determine for the proposed LMD whether further review, clarification, or reduction is needed for the proposed LMD assessment, and then (2) determine whether to proceed with opening and counting assessment ballots to determine if there is a majority protest under Proposition 218.

6. Conducting the Proposition 218 Protest Public Hearing

- a. The City Council will open the public hearing and consider all evidence presented during the hearing including the public hearing notice and all documents referenced therein (particularly including the engineer's report), all written objections, written responses, and any testimony, documents, or information presented during the public hearing.
- b. Prior to closing the public hearing, the City Council will request if there are any additional written assessment ballots to be submitted to (or withdrawn from) the City.
- c. The City Council will then close the public hearing and request the City Clerk to unseal and tabulate the assessment ballots in public view. The City Clerk shall tabulate the number of ballots submitted, and not withdrawn, in support of and in opposition to the proposed LMD assessment.
 - i. In the event that more than one of the record owners of an identified parcel submits an assessment ballot, the amount of the proposed assessment to be imposed upon the identified parcel shall be allocated to each ballot submitted in proportion to the respective record ownership interests or, if the ownership interests are not shown on the record, as established to the satisfaction of the City by documentation provided by those record owners.
 - ii. A majority protest exists only if the ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment. In tabulating the ballots, the ballots shall be weighted according to the proportional financial obligation of the affected property.
 - iii. If the City Clerk determines that additional time is needed to tabulate assessment ballots, the City Council shall recess or continue the public meeting to provide sufficient time for the City Clerk to complete the tabulation.

- iv. If the City Clerk determines that there is a majority protest, the City shall not impose the new or increased LMD assessment.
- v. If the City Clerk determines that there is not a majority protest, the City Council shall continue its deliberations and take action on the proposed new or increased LMD assessment, including adoption of a Resolution of Formation, pursuant to Streets and Highways Code Section 22594.
- vi. The City Clerk's determinations under these Procedures shall be the final determination of the City subject to appropriate judicial review. This shall include the City Clerk's determinations that: (a) the assessment ballot complies with the requirements of these Procedures; or (b) a majority protest has (or has not) been submitted for the proposed LMD assessment.