



SACHI A. HAMAI
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

"To Enrich Lives Through Effective And Caring Service"

Board of Supervisors
HILDA L. SOLIS
First District

MARK RIDLEY-THOMAS
Second District

SHEILA KUEHL
Third District

JANICE HAHN
Fourth District

KATHRYN BARGER
Fifth District

September 11, 2018

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

17 September 11, 2018

CELIA ZAVALA
ACTING EXECUTIVE OFFICER

JOINT RESOLUTION BETWEEN THE CITY OF SANTA CLARITA AND THE COUNTY OF LOS ANGELES FOR THE CITY'S ANNEXATION OF UNINCORPORATED TERRITORY KNOWN AS ANNEXATION NO. 2018-04 (PLUM CANYON, SKYLINE RANCH, AND NORTH SAND CANYON) AND FOR THE TRANSFERRING OR ASSIGNING OF CERTAIN RIGHTS, TAX REVENUE, PROPERTY, IMPROVEMENTS, ASSESSMENT AREAS AND DISTRICTS, AND APPROVAL OF TRANSFER OF THE COUNTY'S REGIONAL HOUSING NEEDS ASSESSMENT ALLOCATION TO THE CITY OF SANTA CLARITA (FIFTH SUPERVISORIAL DISTRICT) (5 VOTES)

SUBJECT

Adoption of the Joint Resolution for the annexation of unincorporated territory and for the transferring or assigning of certain rights, tax revenue, property, improvements, assessment areas, and districts to the City of Santa Clarita, and approval of the transfer of the County's Regional Housing Needs Assessment allocation for the annexation territory to the City of Santa Clarita.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed Joint Resolution, with its associated actions, and the transfer of the County's Regional Housing Needs Assessment allocation are either not subject to the provisions of the California Environmental Quality Act, for the reasons stated herein and the reasons reflected in the record, or were independently considered as part of the Negative Declaration prepared and adopted by the City of Santa Clarita and that the County, acting as a responsible agency, is relying on said Negative Declaration pursuant to Public Resources Code Section 21167.3.
2. Adopt the attached Joint Resolution between the Board and the City Council of the City of Santa Clarita based on the negotiated exchange of property tax revenue as a result of the proposed

Annexation No. 2018-04, of approximately 3,118 acres of unincorporated territory known as Plum Canyon, Skyline Ranch, and North Sand Canyon to the City of Santa Clarita.

3. Authorize the Chief Executive Officer, or her designee, and the Directors of the County of Los Angeles Departments of Public Works, Regional Planning, and Parks and Recreation, or their designees, to take all actions to effectuate the Joint Resolution.
4. Find that any park to be conveyed pursuant to the Joint Resolution is local in character.
5. Find that the conveyance of any conservation easement pursuant to the Joint Resolution is in the public interest and that the interest in land conveyed will not substantially conflict or interfere with the use of the property by the County.
6. Approve the transfer of the County's Regional Housing Needs Assessment allocation associated with proposed Annexation No. 2018-04, to the City, and instruct the Department of Regional Planning to take all actions necessary to effectuate such transfer.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The City Council of the City of Santa Clarita (City) has adopted a Negative Declaration and the Joint Resolution based on the negotiated exchange of property tax revenue resulting from the proposed annexation of unincorporated territory to the City. The territory consists of approximately 3,118 acres of inhabited territory, generally located south of Vasquez Canyon Road between Sand Canyon Road and Golden Valley Road.

In order for the Local Agency Formation Commission (LAFCO) for the County of Los Angeles to proceed with the required hearings on the proposed annexation, the Board, as the governing body of the County, must first adopt the Joint Resolution.

The Board's approval of the Joint Resolution, which includes the assignment of the Park Development Agreements and related securities for the Quimby parks in Plum Canyon and Skyline Ranch to the City, or alternatively the conveyance of the completed aforementioned parks, is necessary so that the City can assume ownership and become responsible for the operation and maintenance of the parks, which will be local in character, upon annexation of the territory to the City. The respective developers for Plum Canyon and Skyline Ranch have provided the County with agreements and related securities to develop the proposed parks, and have also dedicated a conservation easement in Plum Canyon to meet each developer's Quimby Act parkland obligations. If the Quimby parks are incomplete as of the effective date of Annexation No. 2018-04, the County intends to convey and the City has agreed to accept the associated park development agreements and related securities for such parks from the County to the City. If the Quimby parks are completed and accepted by the County as of the effective date of Annexation No. 2018-04, the County shall convey, and the City shall accept any said Quimby park. Upon any assignment or conveyance, a Quimby park would become a City facility upon the terms and conditions set forth in the park development agreement, and the City would assume the ownership and maintenance of the Quimby park, with no further obligations required of the County.

The County will retain and maintain all County dedicated and proposed-to-be-dedicated trails and trailheads, as these amenities meet both local and regional recreation needs.

The annexation area includes benefit assessment areas, including Drainage Benefit Assessment Area (DBAA) No. 24 and DBAA No. 33, and improvements associated with the assessment areas. The Board's approval of the transfer of DBAA Nos. 24 and 33 and associated improvements is necessary so that the City can administer the assessment districts and operate and maintain the drainage and runoff treatment systems funded by the assessments.

The Board's approval of the Joint Resolution also includes the transfer and/or assignment of various public works improvements or their respective developer agreements and securities, including storm drains, streets, sewers, sewer pump stations, and water quality facilities. These improvements are in various stages of completion, which range from being in the initial planning process to being already constructed. Upon annexation, these improvements or agreements will transfer or be assigned at an agreed upon time based on where the improvement is in the development process.

The Board's approval of the transfer of the County's Regional Housing Needs Assessment (RHNA) allocation of 1,932 units associated with the annexation, and instruction to the Department of Regional Planning to effectuate the transfer to the City, is consistent with Board Policy No. 3.095 City Annexations and Spheres of Influence.

FISCAL IMPACT/FINANCING

The adopted Joint Resolution will transfer Five Hundred, Twenty-Two Thousand, Seven Hundred, and Eighteen Dollars (\$522,718) in base property tax revenue from the County General Fund to the City and will allocate a share of the annual property tax increment in each of the affected Tax Rate Areas from the County to the City, as contained in the Joint Resolution. In addition, the Joint Resolution will transfer Two Hundred, Seventy-Seven Thousand, and Twenty-Five Dollars (\$277,025) in base property tax revenue from the LA County Library to the City Library, and will allocate a share of the annual property tax increment in each of the affected Tax Rate Areas, as contained in the Joint Resolution. The adjustment to the County and County Library's base will be made in the fiscal year following the filing of the statement of boundary change for Annexation No. 2018-04 with the California State Board of Equalization.

Commencing with the fiscal year following the formation of proposed County Landscape Maintenance District 1, Zone 2A, the City will collect these assessments to provide the funds required for maintenance, servicing, and administrative costs associated with the landscape improvements in the Zone.

There will be no impact to the County General Fund from the transfer of DBAA Nos. 24 and 33. Upon annexation, the City will be responsible for administering DBAA No. 24 and will become entitled to the assessment revenues. DBAA No. 24 will generate assessment revenue totaling \$85,513.51 for Fiscal Year 2018-19 to provide the funds required for the operation and maintenance of the drainage improvements in DBAA No. 24. Special Road District No. 5 is assessed annually by DBAA No. 24, including \$14,464.31 in Fiscal Year 2018-19, for general benefits provided to the streets within the assessment district. After annexation, Special Road District No. 5 will no longer be assessed by DBAA No. 24, resulting in savings to the District. DBAA No. 24 will have a fund balance that will remain in the DBAA upon transfer to the City, and thereafter be available for use by the City in connection with the City's operation and maintenance of the drainage improvements serving Plum Canyon. The estimated fund balance of DBAA No. 24 as of July 1, 2018, was \$303,756.

Commencing with the first fiscal year following the completion of the runoff treatment improvements serving Skyline Ranch, the City will be responsible for administering DBAA No. 33. DBAA No. 33 will

generate assessment revenues to fund the ongoing operation and maintenance of those improvements by the City.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Part 3, Title 5 of the California Government Code, commencing with Section 56000, the City adopted a resolution and filed an application with LAFCO to initiate proceedings for annexation of the subject territory to the City.

Section 99 of the California Revenue and Taxation Code (R & T Code) requires that prior to the effective date of any jurisdictional change, the governing bodies of all agencies whose service area, or service responsibilities will be altered by such change must address the fiscal impacts of the proposed annexation by negotiating a reallocation of property tax revenue between the affected agencies, and approve and accept such reallocation by resolution. The City Council of the City has adopted the negotiated Joint Resolution, as required by Section 99 of the R & T Code.

The proposed territory to be annexed to the City is currently within the County of Los Angeles Road Maintenance District No. 5 (RMD No. 5), LA County Library, County Lighting Maintenance District 1687 (CLMD 1687), and County Lighting District LLA-1, Unincorporated Zone (CLD-LLA-1, Unincorporated Zone). Upon annexation of the territory to the City, the territory will be detached from County RMD No. 5, withdrawn from CLMD 1687 and the LA County Library, and excluded from CLD LLA-1, Unincorporated Zone.

The City provided an agreement in writing on August 29, 2018, to accept the transfer of the County's Regional Housing Needs Assessment (RHNA) allocation of 1,932 units for this proposed annexation area. Government Code Section 65584.07(d) encourages counties and cities to reach a "mutually acceptable agreement" with respect to RHNA transfers for annexations.

Adoption of the Joint Resolution by the Board will allow LAFCO to schedule the required public hearings to consider testimony on the proposed annexation. LAFCO will subsequently take action to approve, approve with changes, or disapprove the proposal for the annexation.

Since the planned Quimby parks are located within the proposed annexation area, the Board's approval of the assignment and conveyance of the Park Development Agreements and related securities for the parks in Plum Canyon and Skyline Ranch to the City is required so that the City becomes responsible for the operation and maintenance of the park facilities. Government Code Section 25550.5 authorizes the transfer of County parks and recreational areas, which are local in character and situated within a city, to the city conditioned upon agreement to continue maintaining them as parks and recreational areas.

The proposed annexation area includes a conservation easement and open space, which the County and City agree should be conveyed, along with its associated terms, conditions, and maintenance, from the County to the City. The conservation easement and open space is in the public interest to convey to the local jurisdiction to operate and maintain pursuant to Government Code Section 25526.6. Additionally, the County and City agree that the County will retain, and maintain dedicated and proposed to be dedicated, trail easements and trailheads.

The proposed territory to be annexed to the City will also include open space and various public works improvements associated with streets, sewer, and drainage. The open space and many of these improvements serve the residents of this territory, and thus it is appropriate for the local jurisdiction to assume their operations and maintenance. Government Code Section 23004(d)

authorizes the County to manage its property, such as conveyances, pursuant to the interests of its inhabitants.

The formation of proposed County Landscape Maintenance District 1, Zone 2A, has been the subject of discussions between the Department of Public Works and the developer of the Skyline Ranch tract. The formation of Zone 2A, if approved, will result in the levy and collection of assessments to fund the operation and maintenance of landscape improvements within a portion of the area that will be annexed to the City. The formation of proposed County Landscape Maintenance District 1, Zone 2A (Skyline Ranch) and transfer of this Zone to the City requires the Board to follow procedures that are set forth in the Landscaping and Lighting Act of 1972 (California Streets and Highways Code Section 22500 et seq.) and Article XIII D, Section 4 of the California Constitution (Proposition 218). The Resolution stated that the public hearing to form Zone 2A would be before the Board for consideration on September 25, 2018, however that hearing will occur on a later date.

Pursuant to Streets and Highways Code Section 22612, the County may transfer the Zone upon annexation to the City by adopting of a joint resolution setting forth the agreed terms of the transfer. Pursuant to Section 22613, the Zone will then be excluded from the County Landscape Maintenance District. If Zone 2A is formed, the Joint Resolution transfers it to the City pursuant to this authority.

The drainage improvements serving Plum Canyon were constructed by the subdivider as a condition of approval of Tract No. 31158. DBAA No. 24 was formed pursuant to the Benefit Assessment Act of 1982, and imposes an assessment on each parcel located in DBAA No. 24, to finance the maintenance, operation and improvement of these drainage improvements. Upon the effective date of the annexation, all the drainage improvements and all of DBAA No. 24 will be located in the City.

Runoff treatment improvements serving Skyline Ranch are a condition of approval of Tract No. 60922. The subdivider has not yet completed these improvements. Upon completion, the City will assume responsibility for their operation and maintenance. DBAA No. 33 has been formed pursuant to the Benefit Assessment Act of 1982, and will impose an assessment on each parcel located in DBAA No. 33, upon completion of the runoff treatment system, to finance the maintenance, operation and improvement of these improvements.

County Counsel has reviewed the Joint Resolution and has approved it as to form.

ENVIRONMENTAL DOCUMENTATION

Some of the actions contemplated by the proposed Joint Resolution are not a project pursuant to the California Environmental Quality Act (CEQA) because they are an activity that is excluded from the definition of a project by Section 15378(b) of the State CEQA Guidelines. These proposed actions are an administrative activity of the government, which will not result in direct, or indirect changes to the environment.

Some of the actions contemplated by the proposed Joint Resolution were considered as a part of the Negative Declaration prepared and adopted by the City, as lead agency, on April 24, 2018. The County as a responsible agency is relying on said Negative Declaration for these actions pursuant to Public Resources Code Section 21167.3.

The City's Negative Declaration for which the County relies can be found at:

http://santaclaritacityca.iqm2.com/Citizens/Detail_LegiFile.aspx?

[Frame=&MeetingID=1920&MediaPosition=5421.459&ID=2190&CssClass.](http://santaclaritacityca.iqm2.com/Citizens/Detail_LegiFile.aspx?Frame=&MeetingID=1920&MediaPosition=5421.459&ID=2190&CssClass.)

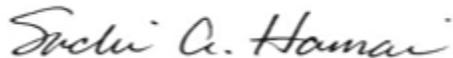
IMPACT ON CURRENT SERVICES (OR PROJECTS)

Upon the effective date of the annexation, the City will become responsible for providing municipal services to the annexing territory. Additionally, any services provided by districts, including CLMD 1687, CLMD 1, CLD-LLA-1, Unincorporated Zone, and DBAA No. 24 and No. 33, will become the responsibility of the City in the annexing area.

CONCLUSION

At such time as the recommendation is approved by the Board, please return one approved copy of this letter and four signed originals of the Joint Resolution to LAFCO, one approved copy of this letter and a copy of the Joint Resolution to the Chief Executive Office, Office of Unincorporated Area Services, and one copy of this approved letter and a copy of the Joint Resolution to the Auditor-Controller, Tax Division.

Respectfully submitted,



SACHI A. HAMAI
Chief Executive Officer

SAH:DSB
DSP:JST:acn

Enclosures

- c: Executive Office, Board of Supervisors
- County Counsel
- Sheriff
- Animal Care and Control
- Auditor-Controller
- Fire
- LA County Library
- Parks and Recreation
- Public Works
- Regional Planning

JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AND THE CITY COUNCIL OF THE CITY OF SANTA CLARITA, APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM THE ANNEXATION OF TERRITORY KNOWN AS ANNEXATION 2018-04 (PLUM CANYON, SKYLINE RANCH, NORTH SAND CANYON) TO THE CITY OF SANTA CLARITA, WITHDRAWAL FROM COUNTY LIGHTING MAINTENANCE DISTRICT 1687, EXCLUSION FROM COUNTY LIGHTING DISTRICT LLA-1, UNINCORPORATED ZONE, DETACHMENT FROM COUNTY ROAD DISTRICT NO. 5, WITHDRAWAL FROM THE LA COUNTY LIBRARY, ANNEXATION TO SANTA CLARITA LANDSCAPING AND LIGHTING DISTRICT, TRANSFER OF DRAINAGE IMPROVEMENTS FOR PLUM CANYON AND SKYLINE RANCH AND RELATED ASSESSMENTS, AND CONVEYANCE, ACCEPTANCE AND RETENTION OF CERTAIN PARKS, OPEN SPACE, STORM DRAINS, STREET, SEWER, SEWER PUMP STATION, AND WATER QUALITY FACILITY INTERESTS

WHEREAS, the City of Santa Clarita initiated proceedings with the Local Agency Formation Commission for Los Angeles County (LAFCO) for the annexation of territory identified as Annexation 2018-04 to the City of Santa Clarita; and

WHEREAS, pursuant to Section 99 of the California Revenue and Taxation Code, for specified jurisdictional changes, the governing bodies of affected agencies shall negotiate and determine the amount of property tax revenue to be exchanged between the affected agencies; and

WHEREAS, the area proposed for annexation is identified as Annexation 2018-04 and consists of approximately 3,118 acres of unincorporated territory known as "Plum Canyon, Skyline Ranch, North Sand Canyon" generally located south of Vasquez Canyon Road between Sand Canyon Road and Golden Valley Road; and

WHEREAS, the area is located within the boundaries of County Lighting Maintenance District 1687; and

WHEREAS, the City of Santa Clarita hereby agrees to the withdrawal of the proposed annexation territory from County Lighting Maintenance District 1687 and annexation to Santa Clarita Streetlight Maintenance District No. 1; and

WHEREAS, upon annexation of the proposed area to the City of Santa Clarita, the territory shall be withdrawn from County Lighting Maintenance District 1687 and annexed to Santa Clarita Streetlight Maintenance District No. 1; and

WHEREAS, the annexation area is also located within County Lighting District LLA-1, Unincorporated Zone; and

WHEREAS, a portion of the area proposed for annexation to the City of Santa Clarita is also expected to be annexed to County Landscape Maintenance District 1 as Zone 2A (Skyline Ranch) to provide for the levy of assessments commencing in Fiscal Year 2019-2020, in order to fund landscape maintenance activities benefiting properties

being assessed. The public hearing to approve said annexation and ordering the imposition of assessments is scheduled for September 25, 2018.

WHEREAS, to the extent that the Board of Supervisors approves the annexation of territory to County Landscape Maintenance District 1 as Zone 2A (Skyline Ranch), the City of Santa Clarita hereby agrees to the withdrawal such territory from County Landscape Maintenance District 1 and annexation to the Santa Clarita Landscaping and Lighting District, as Zone T2A; and

WHEREAS, pursuant to Section 22613 of the California Streets and Highways Code, whenever any territory of a landscaping or lighting district is included within a city by annexation or incorporation, that territory is thereby excluded from the assessment district; and

WHEREAS, upon annexation of the proposed area to the City of Santa Clarita, the territory will be automatically excluded from County Lighting District LLA-1, Unincorporated Zone and County Landscape Maintenance District 1; and

WHEREAS, effective July 1, 2011, the City of Santa Clarita has withdrawn from the LA County Library, and therefore, all unincorporated territory annexed to the City of Santa Clarita after that date will also be withdrawn from the LA County Library.

WHEREAS, the annexation area includes two benefit assessment areas, Drainage Benefit Assessment Area (DBAA) No. 24 and DBAA No. 33.

WHEREAS, DBAA No. 24 was established for the purpose of collecting annual assessments from parcels located in Plum Canyon, to pay for the operation and maintenance of a subsurface drainage system consisting of collection subdrains and monitoring/dewatering wells with appurtenant pumping equipment (Plum Canyon Drainage Improvements), serving the parcels in subdivision tract nos. 31158, 37081, 44966, 46268, 46269 and 46270.

WHEREAS, DBAA No. 33 was established for the purpose of collecting annual assessments from parcels located in Skyline Ranch, to pay for the operation and maintenance of a runoff treatment system consisting of Continuous Deflective Separation units and catch basin filters (Skyline Ranch Runoff Treatment Improvements), serving the parcels in subdivision tract no. 60922.

WHEREAS, construction of the Skyline Ranch Runoff Treatment Improvements have not been completed as of the date of this joint resolution, but their completion is required pursuant to a subdivision improvement agreement and secured by performance bonds.

WHEREAS, the annexation area includes tracts nos. 46018-11 and 60922 where certain parks are planned to be constructed, but are not yet completed, and are currently subject to park development agreements and related securities.

WHEREAS, if any such park remains incomplete as of the effective date of Annexation 2018-04, the County and City intend to assign the associated park development agreement and any related security for such park from the County to the City; alternatively, if any park is complete as of the effective date of Annexation No. 2018-04, the County and City intend to convey the associated park development agreement and any related security for such park from the County to the City.

WHEREAS, the annexation area includes the Plum Canyon (Tract No. 46018-11) open space easement, which the County and City agree shall be conveyed, along with its associated terms, conditions, and maintenance, from the County to the City.

WHEREAS, the County intends, and the City agrees, that the County shall retain all County dedicated and proposed-to-be-dedicated trails, trailheads, and maintenance associated therewith.

WHEREAS, the annexation area includes storm drains, street, sewer, sewer pump station, and water quality facilities in the Plum Canyon (Tract No. 46018-11), Skyline (Tract No. 60922), and North Sand Canyon subdivisions in various stages of completion, ranging from initial planning to constructed, which the County intends, and the City agrees, shall be transferred or assigned as provided in this resolution.

WHEREAS, the annexation area includes the Skyline (Tract No. 60922) subdivision, the maps for which the County and City agree shall be reviewed and approved as provided in this resolution.

WHEREAS, the annexation area includes certain open space dedicated to the County which the County agrees to convey, and the City shall accept, as provided in this resolution.

WHEREAS, the Board of Supervisors of the County of Los Angeles, as governing body of the County and the County of Los Angeles Road District No. 5, County Lighting Maintenance District 1687, County Lighting District LLA-1, Unincorporated Zone, County Landscape Maintenance District 1, and the LA County Library, and the City Council of the City of Santa Clarita, have determined the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation of the unincorporated territory identified as Annexation 2018-04, detachment from County Road District No. 5, withdrawal from County Lighting Maintenance District 1687, annexation to Santa Clarita Streetlight Maintenance District No. 1, exclusion from County Lighting District LLA-1, Unincorporated Zone, and withdrawal from the LA County Library, is as set forth below:

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The City of Santa Clarita agrees that it will bear the full responsibility for the street lighting and lighting maintenance services in the proposed annexation area

upon the withdrawal of the annexation territory from County Lighting Maintenance District 1687 and exclusion of the territory from County Lighting District LLA-1, Unincorporated Zone.

2. For the first fiscal year commencing after the effective date of Annexation 2018-04 and every fiscal year thereafter, the City of Santa Clarita shall be responsible for the administration of Santa Clarita Landscaping and Lighting District Zone T2A, including the collection of the annual assessments.

3. The proceedings for the annexation of territory to County Landscape Maintenance District 1, as Zone 2A, provide that assessments to fund landscape maintenance services will commence in Fiscal Year 2019-2020. It is anticipated that the effective date of Annexation 2018-04 will occur before any assessments are collected. In the event that assessments are collected before the effective date of Annexation 2018-04, however, for the fiscal year that includes the effective date of Annexation 2018-04, the County of Los Angeles shall transfer to the City of Santa Clarita the assessment revenues collected from Landscape Maintenance District 1, Zone 2A, less any amounts expended or incurred for the maintenance of landscaping in the zone during the portion of the fiscal year before the effective date of Annexation 2018-04.

4. The negotiated exchange of property tax revenue between the County of Los Angeles and the City of Santa Clarita, resulting from Annexation 2018-04 is approved and accepted.

5. For the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2018-04 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, property tax revenue received by County Road District No. 5, attributable to Annexation 2018-04, shall be transferred to the County of Los Angeles, and the County Road District No. 5 share in the annexation area shall be reduced to zero.

6. For the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2018-04 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, the tax-sharing ratio received by County Lighting Maintenance District 1687 attributable to Annexation 2018-04 in the annexation area shall be reduced to zero.

7. For the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2018-04 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, a base of Two Hundred, Seventy-Seven Thousand, and Twenty-Five Dollars (\$277,025) in property tax revenue attributable to the LA County Library, within the territory of Annexation 2018-04, shall be transferred to the City-Santa Clarita Library Fund, and the following ratios of annual property tax increment attributable to each respective Tax Rate Area in the Annexation 2018-04 territory shall be transferred from the LA County Library to the City-Santa Clarita Library

Fund as shown below, and the LA County Library's share in the annexation area shall be reduced to zero.

Tax Rate Area	Annual Tax Increment Ratio Transfer to the City	Tax Rate Area	Annual Tax Increment Ratio Transfer to the City	Tax Rate Area	Annual Tax Increment Ratio Transfer to the City
01272	0.028684821	09149	0.021904362	15350	0.027305462
01273	0.022763466	10578	0.020971418	15351	0.028242821
01282	0.028684821	13380	0.021462362	15481	0.027502906
01283	0.022763466	13460	0.028242821	15563	0.027633913
02468	0.027440086	13462	0.022255936	15564	0.027631956
06811	0.028592058	13655	0.020937552	15763	0.027490495
06812	0.027350522	13888	0.027305462	15764	0.027490495
06813	0.021843468	14166	0.027633913	16305	0.027490495
08726	0.028078293	14454	0.027502906	16307	0.021815682
08760	0.022697936	14455	0.021825531	16308	0.027490495
08790	0.022697936	14477	0.027616598	16311	0.026859066
09127	0.021450968	14720	0.027490495	16312	0.026947021
09128	0.027350522	14821	0.021815682		

8. For the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2018-04 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, Five Hundred, Twenty-Two Thousand, Seven Hundred, and Eighteen Dollars (\$522,718) in base property tax revenue shall be transferred from the County of Los Angeles to the City of Santa Clarita.

9. For the fiscal year commencing after the filing of the statement of boundary change for Annexation 2018-04 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, the following ratios of annual property tax increment attributable to each respective Tax Rate Area in the Annexation 2018-04 territory shall be transferred from the County of Los Angeles to the City of Santa Clarita as shown below and the County's share shall be reduced accordingly:

/

/

/

/

/

/

/

/

/

/

/

Tax Rate Area	Annual Tax Increment Ratio Transfer to the City	Tax Rate Area	Annual Tax Increment Ratio Transfer to the City	Tax Rate Area	Annual Tax Increment Ratio Transfer to the City
01272	0.045977444	09149	0.059234832	15350	0.048430954
01273	0.058173765	10578	0.059289998	15351	0.047795715
01282	0.045977444	13380	0.065452285	15481	0.047892660
01283	0.058173765	13460	0.047795715	15563	0.047795716
02468	0.044876740	13462	0.067317266	15564	0.047794528
06811	0.053999182	13655	0.065260092	15763	0.047870556
06812	0.044798904	13888	0.048430954	15764	0.047870556
06813	0.059315216	14166	0.047795716	16305	0.047870556
08726	0.053007275	14454	0.047892662	16307	0.060568759
08760	0.068535265	14455	0.060596735	16308	0.047870556
08790	0.054775635	14477	0.047770143	16311	0.043414346
09127	0.057481736	14720	0.047870556	16312	0.049598311
09128	0.044798904	14821	0.060568759		

10. The City of Santa Clarita agrees that it will bear the full responsibility for the operation and maintenance of the Plum Canyon Drainage Improvements from and after the effective date of Annexation 2018-04.

11. For the fiscal year that includes the effective date of Annexation 2018-04, the County of Los Angeles shall transfer to the City of Santa Clarita a prorated share of the assessment revenues collected from DBAA No. 24, calculated based on the number of days in the fiscal year remaining after the effective date of Annexation 2018-04.

12. For the first fiscal year commencing after the effective date of Annexation 2018-04, and every fiscal year thereafter, the City of Santa Clarita shall be responsible for the administration of DBAA No. 24, including the collection of the annual assessments.

13. The City of Santa Clarita agrees that upon completion of the Skyline Ranch Runoff Treatment Improvements, as evidenced by written notice from the County of Los Angeles, the City will bear the full responsibility for the operation and maintenance of the Skyline Ranch Runoff Treatment Improvements.

14. For the first fiscal year commencing after the completion of the Skyline Ranch Runoff Treatment Improvements, as evidenced by written notice from the County of Los Angeles, and every fiscal year thereafter, the City of Santa Clarita shall be responsible for the administration of DBAA No. 33, including the collection of the annual assessments.

15. The County shall have the authority to assign, and the City shall accept the assignment of, the Park Development Agreements and related security for the Plum Canyon (Tract No. 46018-11) and Skyline (Tract No. 60922) parks ("Quimby Parks"), in

the event the Quimby Parks are not be completed and accepted by the County by the effective date of Annexation 2018-04. Such assignment may be effective on or after the effective date of Annexation 2018-04, at the sole discretion of the County. Should any of the Quimby Parks be completed and accepted by the County on or before the effective date of Annexation 2018-04, the County shall convey, and the City shall accept, any said Quimby Park. Upon any assignment or conveyance, a Quimby Park would become a City facility upon the terms and conditions set forth in the Park Development Agreement or conveyance instrument, respectively, and the City shall maintain the Quimby Park therewith.

16. Upon the effective date of Annexation 2018-04, or soon thereafter, the County shall convey the open space easement ("Easement") for Plum Canyon (Tract No. 46018-11) pursuant to Government Code section 25526.6 and the Easement terms and conditions, and City shall accept said Easement and its associated terms, conditions, and maintenance associated therewith.

17. Upon the effective date of Annexation 2018-04, the County shall retain all its dedicated and proposed to be dedicated trails, trailheads, and the maintenance associated therewith.

18. Storm Drains, for Plum Canyon (Tract No. 46018-11), Skyline (Tract No. 60922), and North Sand Canyon (collectively "Subdivisions"), already constructed and transferred to the Los Angeles County Flood Control District (LACFCD) upon the date of annexation shall remain with LACFCD.

19. Storm Drains, for the Subdivisions, already constructed, accepted by the County, and with the intent of transferring to LACFCD but not yet transferred, upon the date of annexation, shall be transferred by the County to LACFCD.

20. Storm Drains, for the Subdivisions, already constructed, not yet accepted by the County, and with the intent of transferring to LACFCD, upon the date of annexation, shall continue to require approval and acceptance by the County. Upon the County's acceptance of the Storm Drains, the County shall then transfer those Storm Drains to LACFCD. Notwithstanding, the County shall have the authority to assign, and the City shall accept the assignment of the Multiple Agreements and related security for the Subdivisions' Storm Drains. The City would then assume the approval and acceptance responsibilities of those Storm Drains.

21. Storm drain plans, for the Subdivisions, that have been reviewed, approved, bonded by and with the County, and with the intent of transferring to LACFCD, upon the date of annexation, shall continue to require approval and acceptance by the County. Upon the County's acceptance of the Storm Drains, the County shall then transfer those Storm Drains to LACFCD. Notwithstanding, the County shall have the authority to assign, and the City shall accept the assignment of the Multiple Agreements and related security for the Subdivisions' Storm Drains. The City would then assume the approval and acceptance responsibilities of those Storm Drains.

22. Storm drains plans, for the Subdivisions, not reviewed, approved, bonded by and with the County, and with the intent of transferring to LACFCD, upon the date of annexation, shall be reviewed and approved by the County. However, the City shall have final approval and be required to sign and accept the Storm Drains upon final approval. Notwithstanding, the County shall have the authority to assign, and the City shall accept the assignment of the Multiple Agreements and related security for the Subdivisions' Storm Drains. The City would then assume the approval and acceptance responsibilities of those Storm Drains.

23. The street, sewer, sewer pump station, and water quality facilities ("Facilities"), for Plum Canyon (Tract No. 46018-11), Skyline (Tract No. 60922), and North Sand Canyon (collectively "Subdivisions"), already constructed and accepted by the County upon the date of annexation shall transfer to the City.

24. Facilities, for the Subdivisions, that have been cleared for construction or started construction but not accepted by the County, upon the date of annexation, shall continue to require construction inspection by the County. However, the City shall have final approval and be required to accept the Facilities upon final approval. Notwithstanding, the County shall have the authority to assign, and the City shall accept the assignment of the Multiple Agreements and related security for the Subdivisions' Facilities. The City would then assume all further approval and acceptance responsibilities of those Facilities.

25. Facilities, for the Subdivisions, that have not been cleared for construction but have involved County review, upon the date of annexation, shall continue to require review by the County for the County review fees paid thus far. However, the City shall, after County review fees have been exhausted, collect any necessary additional review fees, perform the remaining reviews, and have final review and approval of the plans, and be required to permit, inspect, and accept the Facilities upon final approval. Notwithstanding, the County shall have the authority to assign, and the City shall accept the assignment of the Multiple Agreements and related security for the Subdivisions' Facilities. The City would then assume all further approval and acceptance responsibilities of those Facilities.

26. Upon the effective date of annexation, the County shall continue to review the remaining Skyline maps until the paid County review fees have been exhausted. However, the City shall, after County review fees have been exhausted, collect any necessary additional review fees, perform the remaining reviews, and have final review and approval of the maps and be required to accept the Final Maps upon final approval.

27. Upon the effective date of annexation or soon thereafter, the County shall convey any open space land dedicated to the County pursuant to condition 25 of the Skyline Tentative Tract Map, and the City shall accept any land and the maintenance associated therewith.

/

