



REGULAR MEETING AGENDA
125 E. College Street, Covina, California
Council Chamber of City Hall
Tuesday, August 5, 2025

**REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
PUBLIC FINANCING AUTHORITY OF THE COVINA ENHANCED
INFRASTRUCTURE FINANCING DISTRICT
5:30 PM**

IMPORTANT NOTICE

Public Comments: *During the meeting, there will be an opportunity for the public to speak. Public testimony is limited to five (5) minutes per speaker, unless, for good cause, the Chair amends the time limit; a speaker's time may not be transferred to another speaker. State Law prohibits the Authority Board Members from taking action on any item not on the agenda. Those wishing to speak on a LISTED AGENDA ITEM will be heard when that item is addressed.*

In Person: *To address the Authority Board please complete a yellow speaker request card located at the entrance of the Council Chamber and give it to the Secretary. Your name will be called when it is your turn to speak.*

CALL TO ORDER

ROLL/CALL

Authority Board Members: Victor Linares, Lynda Noriega, Kevin Stapleton, Vice Chair John C. King, and Chair Walter Allen, III

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

To address the Authority Board please complete a yellow speaker request card located at the entrance and give it to the Secretary. Your name will be called when it is your turn to speak. Those wishing to speak on a LISTED AGENDA ITEM will be heard when that item is addressed. Those wishing to speak on an item NOT ON THE AGENDA will be heard at this time. State Law prohibits the Authority Board from taking action on any item not on the agenda. Individual speakers are limited to three minutes each, unless, for good cause, the Chairperson amends the time limit.

AUTHORITY COMMENTS

Authority Board Members wishing to make any announcements of public interest or to request that specific items be added to future Authority agendas may do so at this time.

STAFF COMMENTS

Staff members wishing to make any announcements of public interest or to request that specific items be added to future Authority agendas may do so at this time.

CONSENT CALENDAR PUBLIC COMMENTS

The public is invited to comment on Consent Calendar items only at this time. To address the Authority Board please complete a yellow speaker request card located at the entrance and give it to the Secretary. Your name will be called when it is your turn to speak. Individual speakers are limited to five minutes each, unless, for good cause, the Chairperson amends the time limit.

CONSENT CALENDAR

All matters listed under Consent Calendar are considered routine, and will be enacted by one motion. There will be no separate discussion on these items prior to the time the Authority Board votes on them, unless a member of the Authority Board requests a specific item be removed from the Consent Calendar for discussion.

CC 1. May 7, 2024 Meeting Minutes

Staff Recommendation:

Staff recommends that the Authority Board approve the Minutes of the May 7, 2024 Regular Meeting of the Public Financing Authority of the Covina Enhanced Infrastructure Financing District.

NEW BUSINESS

NB 1. Elect Chair and Vice-Chair of the Board of Directors for 2025-2026

Staff Recommendation:

1. Nominate and elect Chair and Vice-Chair of the Board of Directors for 2025-2026

PUBLIC HEARINGS

- PH 1. Conduct a Public Hearing to Consider Adoption of the Covina Enhanced Infrastructure Financing District (EIFD) Annual Report for Fiscal Year 2024-2025

Staff Recommendation:

1. Open the public hearing and receive all written and oral public testimony regarding the Covina Enhanced Infrastructure Financing District Annual Report for Fiscal Year 2024-2025; and
2. Adopt the EIFD Annual Report for Fiscal Year 2024-2025; and
3. Close the public hearing.

ADJOURNMENT

The meeting of the Board of Directors of the Public Financing Authority of the Covina Enhanced Infrastructure Financing District will adjourn to its next regular meeting of the Authority Board scheduled for November 4, 2025 at 5:30 p.m. inside the Council Chamber at City Hall, located at 125 East College Street, Covina, California, 91723.

MEETING ASSISTANCE INFORMATION: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Community Development Department at (626) 384-5443. Notification 24 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

If you challenge in court any discussion or action taken concerning an item on this agenda, you may be limited to raising only those issues you or someone else raised during the meeting or in written correspondence delivered to the Authority at or prior to the Authority's consideration of the item at the meeting.

ALL NON-EXEMPT DOCUMENTS RELATED TO THE ITEM ON THIS AGENDA ARE AVAILABLE TO THE PUBLIC IN THE COMMUNITY DEVELOPMENT DEPARTMENT AT 125 E. COLLEGE STREET, COVINA.



**PUBLIC FINANCING AUTHORITY OF THE COVINA
ENHANCED INFRASTRUCTURE FINANCING DISTRICT
MINUTES OF REGULAR MEETING**

May 7, 2024

The regular meeting of the Public Financing Authority of the Covina Enhanced Infrastructure Financing District was held on Tuesday, May 7, 2024, at 5:30 pm in the Council Chamber of City Hall at 125 East College Street, Covina, California, 91723.

Board Members Present: Walter Allen III, Chair, John C. King, Vice Chair, Lynda Noriega, Kevin Stapleton, Victor Linares

Board Members Absent:

Staff Present: Chris Marcarello, City Manager
Angel Carrillo, Deputy City Manager
Brian Lee, Director of Community Development
Theresa Franke, Deputy Director Administrative Services
Alana Mantilla, Economic Development Manager

Public Present Joseph Dieguez, Kosmont Companies

CALL TO ORDER

The meeting was called to order at 5:34 p.m. A quorum was present.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chair Walter Allen III.

PUBLIC COMMENTS

None.

AUTHORITY COMMENTS

None.

AGENDA POSTING DECLARATION

The Agenda stated the agenda for the May 7, 2024, meeting was posted in accordance with Section 54954.2(a) of the California Government Code.

CONSENT CALENDAR

CC1. September 5, 2023 Meeting Minutes

A motion was made by Stapleton, seconded by Allen, to approve the September 5, 2023 meeting minutes.

Motion on Staff recommendation of CC1, was approved as follows:

AYES: Allen, King, Noriega, Stapleton, Linares

NOES: None

ABSTAIN: None

ABSENT: None

CC2. Consideration of PFA Resolution No. 2024-01, a Resolution Adopting a Conflict of Interest Code

A motion was made by Stapleton, seconded by Allen, to approve Resolution No. 2024-01, A Resolution Adopting a Conflict of Interest Code.

Motion on Staff recommendation of CC2, was approved as follows:

AYES: Allen, King, Noriega, Stapleton, Linares

NOES: None

ABSTAIN: None

ABSENT: None

NEW BUSINESS

NB1. Selection of the Chair and Vice Chair of the Authority Board

A motion was made by Stapleton to nominate King as Chair, seconded by Noriega, and a motion was made by Allen to nominate Linares as Vice Chair, seconded by Stapleton.

Motion on Staff recommendation of NB1, was approved as follows:

AYES: Allen, King, Noriega, Stapleton, Linares

NOES: None

ABSTAIN: None

ABSENT: None

NB2. Covina EIFD Annual Report for Fiscal Year 2023-2024

Joseph Dieguez of Kosmont Companies presented the staff report.

Chair King made brief comments regarding the next steps as they relate to the annual report.

A motion was made by Noriega, seconded by Stapleton, to receive and file the Annual Report of the Covina Enhanced Infrastructure Financing District for Fiscal Year 2023-2024.

Motion on Staff recommendation of NB2, was approved as follows:

AYES: Allen, King, Noriega, Stapleton, Linares

NOES: None

ABSTAIN: None

ABSENT: None

ADJOURNMENT

There being no further business, the meeting adjourned at 5:46 pm.

Respectfully Submitted,

Alana Mantilla
Economic Development Manager
Secretary to the Board

Approved and adopted this 5th day of August, 2025.

John King, Chair



PFA EIFD Special Meeting

AGENDA ITEM REPORT

Meeting:	PFA EIFD Regular Meeting – August 5, 2025
Title:	Public Hearing on the Covina EIFD Annual Report Fiscal Year 2024-2025
Presented By:	Brian K. Lee, Deputy City Manager/Director of Community Development Alana Mantilla, Economic Development Manager Joseph Dieguez, Senior Vice President, Kosmont Companies
Recommendation:	1. That the Public Financing Authority Board open the public hearing and consider public testimony and close the public hearing; and 2. Receive and file the Annual Report of the Covina Enhanced Infrastructure Financing District for Fiscal Year 2024-2025 after holding a Public Hearing.

BACKGROUND:

DISCUSSION:

The City Council of the City of Covina established the Public Financing Authority (“PFA”) for the Covina Enhanced Infrastructure Financing District (“Covina EIFD”) at its regular meeting on October 18, 2022. The purpose of the PFA was to establish and implement the Covina EIFD. The governing Infrastructure Finance Plan (“IFP”) was adopted by the City Council on June 20, 2023 and separately by the PFA on September 5, 2023.

The Covina EIFD (“District”) is a governmental entity that may use future incremental City property tax revenue from within the geographical boundaries of the Covina EIFD to fund public capital facilities and infrastructure, as well as other specified projects of communitywide significance that provide significant benefits to properties within the Covina EIFD as well as the surrounding community. EIFDs are funded by capturing all or a portion of the future property tax increment revenue (i.e., the difference in property taxes received by the City prior to and after establishment of the EIFD) generated within the boundaries of the District. Thus, there are no new taxes imposed on the public through the EIFD. The EIFD may finance projects through the issuance of bonds or other debt and/or under a “pay-go” model where money is spent as it is collected. The requirements for the City’s establishment of an EIFD are set forth in California Government Code Sections 53398.50 and following (referred to as the “EIFD Law”).

The Covina EIFD encompasses approximately 213 acres of land, representing approximately 5% of the total acreage within the City limits. The Covina EIFD includes the City’s Town Center Specific Plan Area and the Citrus Avenue Mixed-Use Corridor areas within the City that stand to benefit from catalytic infrastructure improvements with communitywide and regional benefit.

On an annual basis, the PFA is required to review the IFP and consider any amendments that are necessary and appropriate, require the preparation of an annual independent financial audit, and adopt an annual report documenting the status of specified elements of implementation of the IFP for the Covina EIFD. (See California Government Code Section 53398.66(j).)

CURRENT ACTION:

The Community Development Department's Economic Development Division and consultant Kosmont Companies, in conjunction with other supporting City of Covina departments, has prepared the District's Fiscal Year 2024-2025 Annual Report (Attachment 1).

The Covina EIFD was established in September 2023 with Fiscal Year 2023-2024 as its base year, and tax increment revenue began accrual in Fiscal Year 2024-2025.

Consistent with State law, the draft Annual Report was made available to the public on the Covina EIFD's website at least 30 days in advance of this Public Hearing of the PFA. In addition, a written notice was mailed to all residents and landowners within the area covered by the District, as required by EIFD law.

In order to comply with the established requirements, the District's Fiscal Year 2024-2025 Annual Report includes the following sections:

a) A description of the projects undertaken in Fiscal Year 2024-2025.

There were no projects undertaken in Fiscal Year 2024-2025, which is consistent with the progress expected to be made at this point.

b) A chart comparing the actual revenue and expenses, including administrative costs, of the public financing authority to the budgeted revenue and expenses.

The Covina EIFD was established in September 2023 with FY 2023-24 as its base year, and tax increment revenue anticipated to begin accrual in FY 2024-25. Projected and actual revenue and expenses for FY 2023-24 and 2024-25 are shown in the table below:

Year	Projected Revenues	Actual Revenues (as of 6/20/2025)*
FY 2023-24	\$0.00	\$0.00
FY 2024-25	\$56,918.00	\$51,797.51

*Please note that actual revenues are dated as of June 20, 2025, which is the date of the most recent property tax distribution from the Los Angeles County Auditor-Controller at the time this report was prepared. The Auditor-Controller's office is expected to continue property tax distributions for Fiscal Year 2024-25 through August 2025, and so reported revenues are

expected to increase until then. Final Fiscal Year 2024-25 revenues will be updated and reported with the Fiscal 2025-26 Annual Report.

Current EIFD law requires adoption of the Annual Report by June 30 of each calendar year, which is inconsistent with the typical property tax distribution and reporting timeline for most counties, including the County of Los Angeles. There is currently proposed legislation (Assembly Bill 417) that would correct this inconsistency and update the deadline for the Annual Report to within seven months of the close of each fiscal year.

FISCAL IMPACT:

There is no fiscal impact associated with this action.

For the Covina EIFD, a portion of future property tax revenue increases from properties within the Covina EIFD that would otherwise be received in the City's general fund are allocated to the Covina EIFD for the purpose of funding infrastructure and other public improvements, subject to compliance by the Covina EIFD and the PFA with the IFP for the Covina EIFD.

CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):

The Community Development Director has determined that the Recommended Action described in this Staff Report is not subject to the California Environmental Quality Act ("CEQA") since it is not in-and-of itself a "project" (pursuant to CEQA Guidelines Section 15378), and since it involves the creation of a government funding mechanism that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment per CEQA Guidelines Section 15378(b)(4). Additionally, the Recommended Action is exempt from CEQA since it can be determined with certainty that there is no possibility it will result in a significant effect on the environment. However, future actions (such as the funding of infrastructure improvements using funding from the Covina EIFD) will be subject to environmental review in accordance with CEQA at the "earliest feasible time" prior to "approval" consistent with CEQA Guidelines Sections 15004 and 15352.

ATTACHMENTS:

Attachment A: Covina EIFD Annual Report FY 2024-2025

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'Alana Mantilla', with a long, sweeping horizontal line extending to the right.

Alana Mantilla, Economic Development Manager

COVINA ENHANCED INFRASTRUCTURE FINANCING DISTRICT

ANNUAL REPORT FISCAL YEAR 2024-25

Prepared For:

The City of Covina



Prepared By:



JULY 2025

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1.0 Introduction

1.1 Background and Purpose

The City Council of the City of Covina established the Public Financing Authority (“PFA”) for the Covina Enhanced Infrastructure Financing District (“Covina EIFD”) at its regular meeting on October 18, 2022. The purpose of the PFA was to establish and implement the Covina EIFD. The governing Infrastructure Finance Plan (“IFP”) was adopted by the City Council on June 20, 2023 and separately by the PFA on September 5, 2023.

The Covina EIFD encompasses approximately 213 acres of land, representing approximately 5% of the total acreage within the City. The Covina EIFD includes the City’s Town Center Specific Plan Area and the Citrus Avenue Mixed-Use Corridor areas within the City that stand to benefit from catalytic infrastructure improvements with communitywide and regional benefit.

This Annual Report is prepared pursuant to Government Code Section 53398.66 and presents the following information:

- a) A description of the projects undertaken in the fiscal year, including any rehabilitation of structures, and a comparison of the progress expected to be made on those projects compared to the actual progress.
- b) A chart comparing the actual revenue and expenses, including administrative costs, of the public financing authority to the budgeted revenue and expenses.
- c) The amount of tax increment revenue received.
- d) An assessment of the status regarding completion of the enhanced infrastructure financing district’s projects.
- e) The amount of revenue expended to assist private businesses.

2.0 Description of Projects in FY 2024-25

There were no projects undertaken in Fiscal Year (“FY”) 2024-25, which is consistent with the progress expected to be made at this point.

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3.0 Actual vs. Budgeted Revenues and Expenses

The Covina EIFD was established in September 2023 with FY 2023-24 as its base year, and tax increment revenue anticipated to begin accrual in FY 2024-25. Projected and actual revenue and expenses for FY 2023-24 and 2024-25 are shown in Table 1 below:

Table 1: Projected and Actual Revenue and Expenses

Year	Projected Revenues	Actual Revenues (as of 6/20/2025)*
FY 2023-24	\$0.00	\$0.00
FY 2024-25	\$56,918.00	\$51,797.51

*Please note that actual revenues are dated as of June 20, 2025, which is the date of the most recent property tax distribution from the Los Angeles County Auditor-Controller at the time this report was prepared. The Auditor-Controller's office is expected to continue property tax distributions for Fiscal Year 2024-25 through August 2025, and so reported revenues are expected to increase until then. Final Fiscal Year 2024-25 revenues will be updated and reported with the Fiscal 2025-26 Annual Report.

Current EIFD law requires adoption of the Annual Report by June 30 of each calendar year, which is inconsistent with the typical property tax distribution and reporting timeline for most counties, including the County of Los Angeles. There is currently proposed legislation (Assembly Bill 417) that would correct this inconsistency and update the deadline for the Annual Report to within seven months of the close of each fiscal year.

There have been no EIFD expenses thus far, consistent with expectations.

4.0 Tax Increment Revenue Received

Annual and cumulative EIFD tax increment revenues are outlined in Table 2 below.

Table 2: EIFD Tax Increment Revenue Received

Year	Annual EIFD Revenues	Cumulative EIFD Revenues
FY 2023-24	\$0.00	\$0.00
FY 2024-25	\$51,797.51	\$51,797.51

5.0 EIFD Project Status

The EIFD is in the early phase of building a stabilized revenue stream that could be leveraged for future projects and potential debt issuance(s) accordingly. No EIFD projects have been funded, which is consistent with City and PFA expectations at this time.

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6.0 Revenue Expended for Private Business

As of the date of this Annual Report, no revenues have been expended to assist private businesses. This is consistent with City and the PFA expectations at this time.

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