



CITY COUNCIL AGENDA REPORT



DEPARTMENT: City Manager's Office

MEETING DATE: February 18, 2020

PREPARED BY: Lauren Vasquez, Assistant City Manager /
Brittany Mello, Assistant to the City Manager

AGENDA LOCATION: PH-1

TITLE: Formation of the City of Monrovia Community Facilities District No. 2019-02 (127 Pomona); Calling for, Conducting, and Declaring Results of a Special Landowner Election; and Authorizing the Levy of a Special Tax within the District; Resolution Nos. 2020-15 through 2020-17, and Introduction and First Reading of Ordinance No. 2020-03

OBJECTIVE: To approve the necessary actions to form a Community Facilities District (CFD) for the 127 Pomona Project approved in the 127 Pomona Specific Plan, which includes holding a public hearing; in the absence of a majority protest, approving the formation of the CFD and the levy of the special tax, subject to a special election; calling for and holding a Special Election by the landowners within the CFD; if the election is successful, declaring the results of the Special Election and subsequently recording a Notice of Special Tax Lien with the Los Angeles County Recorder's Office; and introducing Ordinance No. 2020-03 to establish the levy of the special tax.

BACKGROUND: The Mello-Roos Community Facilities Act of 1982 (Cal. Gov. Code, § 53311 et seq.) ("Act") provides a method of financing certain public capital facilities and services through a special tax on property within a specified area, known as a Community Facilities District (CFD).

On November 7, 2017, the City Council adopted Resolution No. 2017-40, directing staff to move forward with the possible creation of CFDs as a funding mechanism to address service delivery impacts from proposed new development. Subsequently, on December 19, 2017, the City Council adopted the Statement of Goals and Policies Governing the City's use of CFDs (Resolution No. 2017-50), which was required prior to the formation of any future CFD.

Given those policy directives, the City has been working with the developers of several significant new development projects in an effort to coordinate the establishment of CFD overlays, which are authorized through the Mello-Roos Community Facilities Act of 1982. If approved, the CFDs provide a mechanism to fund public improvements and vital services through establishment of an additional property tax overlay. City services that can be paid for from revenues derived from the CFD include, but are not limited to, police protection services, fire protection and suppression services, ambulance and paramedic services, maintenance and lighting of parks, streets, roads, open spaces, and other related municipal efforts.

On January 21, 2020, the City entitled the 310-unit 127 Pomona Project (127 Pomona) as part of the residential Transit-Oriented Development located within the Station Square Transit Village. This project is located on a 1.83 acre property located on 123, 137, and 141 West Pomona Avenue and 1528 and 1532 South Primrose Avenue, including the dedication of street/sidewalk along Primrose and Evergreen Avenues. In order to offset the impacts of new development in the City, staff worked with representatives from Fifield Realty Corporation to negotiate the establishment of a CFD overlay that would raise additional property tax revenues to offset service delivery cost increases. Based on these

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discussions, representatives from Fifield Realty Corporation submitted a formal petition asking that the City move forward with the formation of a CFD overlay on their property.

The City previously received a Petition and Waiver from Fifield Realty Corporation requesting that we establish Community Facilities District No. 2019-02 (127 Pomona) (the "CFD"). The Petition and Waiver was executed by the owner of the land located within the 127 Pomona development (the "Development") and to be included in the proposed CFD. In addition to requesting the City undertake proceedings under the Act to establish the CFD, the Petition and Waiver allows the CFD proceedings to be expedited because the landowner waived certain notice and election requirements.

On September 17, 2019, the City Council adopted Resolution No. 2019-51 (the "Resolution of Intention") declaring the Council's intention to establish the CFD and to authorize the levy of a special tax in accordance with the Rate and Method of Apportionment of Special Tax attached as Exhibit B to the Resolution of Intention (the "Rate and Method"). The Resolution of Intention was the initial step for forming the CFD pursuant to the procedures prescribed by the Act, which include holding a public hearing and submitting the formation of the proposed CFD to the landowner at a special election to be conducted following the conclusion of the public hearing. The Resolution of Intention set November 5, 2019, as the date of public hearing, which was postponed and re-noticed for February 18, 2020. The Resolution of Intention also directed Staff to prepare and file a report on the proposed CFD that describes the services and includes an estimate of the cost of providing the services.

ANALYSIS: CFDs may be established to finance services only to the extent the services are additional to those already provided in the district's territory before the district was formed. The additional services may not replace services that were already available when the district was established. The specified services for the 127 Pomona Project to be financed through the CFD include, but are not limited to, the following:

- 1) Police protection services.
- 2) Fire protection and suppression services, and ambulance and paramedic services.
- 3) Maintenance, operation, and lighting of parks, parkways, streets roads, and open space.
- 4) Maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is necessary to provide the described services.

The services will include the estimated and reasonable costs of providing the services including, without limitation: (i) the costs of contracting for services, (ii) the salaries and benefits of City staff, (iii) the expense related to equipment, apparatus, and supplies related to these services and authorized by the Act, and (iv) a proportionate share of City overhead costs associated with providing such services within the CFD.

Services in a CFD are financed through the annual levy of special taxes against the taxable properties in the CFD for as long as necessary to pay the costs and incidental expense of services. The Mello-Roos Act does not require that the special tax be apportioned in any particular manner. Therefore, apportionment is left to the discretion of the City Council and may be based on a reasonable formula.

The proposed maximum special tax rate in the Rate and Method is \$131.79 per developed residential unit. This maximum rate will increase by the greater of the annual CPI or 4% per year indefinitely, starting January 2022, the year when the project is expected to be granted their certificate of occupancy.

Proposed One-Time Development Impact Fee Waiver in Exchange for Ongoing CFD Special Tax

As part of our development process, the City imposes several development impact fees, and the applicable fees for the 127 Pomona project include the following:

- A Fire Service Impact Fee of \$0.90 / square foot is assessed on new construction to fund fire emergency and non-emergency service demands.

- For 127 Pomona, the Fire Service Impact Fee is \$425,862.
- The Open Space Mitigation Fee is determined based upon 3.0 acres of land per 1,000 residents (130.68 square feet per resident) potentially generated by the development, as outlined in the Land Use Element of the General Plan. Developers are required to provide land dedicated for Open Space or an in-lieu fee to cover either the purchase of land for Open Space or the maintenance of the Open Space in the City.
 - For 127 Pomona, the Open Space Mitigation Fee is \$1,275,585.

As staff assessed the overall 127 Pomona project, we took note of the efforts that 127 Pomona made to provide added benefits to the community. The mixed-use residential/commercial development will include 310 apartment units, 10,000 square feet of ground-floor commercial space, and a three-level (two underground) 479-space parking garage. Additionally, the ground level of this project also includes a 6,250 square foot outdoor public plaza, an entrance plaza providing access to a 2,600 square foot lobby/apartment lasing office and 95-space parking are for public parking and customers. The project totals to 347,251 square feet.

Of important note, out of the 310 residential units in the project, 13 of the units will be reserved for very-low income residents, and 12 units made affordable for moderate-income households adding much-needed affordable housing options in Monrovia. The project has been designed with infrastructure improvements for water, sewer, storm drains, and utilities to sustain the development. Lastly, both the design and placement of the building were contemplated carefully to ensure neighborhood compatibility.

Overview of Public Amenities in the 127 Pomona Project:

- Increases housing options with 310 residential units, including affordable housing options with 13 very-low income units and 12 moderate-income units that will be deed restricted for a period of at least 55 years.
- Ground floor commercial space at the northeast corner of Pomona and Primrose Avenues totaling 10,000 square feet.
- Improved public parking options with a three-level (including two levels of subterranean garage) that will accommodate 479 vehicles (366 spaces for residents, 50 spaces for commercial, 50 spaces for public parking and 13 spaces for guests).
- A 6,250 square foot outdoor public plaza that creates a welcoming open space oriented towards the Monrovia Gold Line Station with vehicular access provided by two driveways—one on Primrose Avenue and the other on Pomona Avenue.
- Variety of site upgrades, including a series of 24-inch box access trees, shrubs, ground cover and vines to increase landscape areas and complement the building's architecture.

Density Bonus

A density bonus with development standard concessions has been applied to this project pursuant to the State Density Bonus Law. This project will provide 13 very-low income and 12 moderate-income affordable units (8% of 310 units) that will be deed restricted for a minimum of 55 years. In accordance with the State Density Bonus Law providing 13 very-low income and 12 moderate income units allows a 40% density bonus, resulting in this project being allowed 25 additional units.

Also, the City is required to provide one or more “concessions or incentives” when a project is eligible for a density bonus. The concessions requested pursuant to the State Density Bonus Law include building height and building size by exceeding the floor area ratio (FAR).

CFD In-Lieu of Impact Fees

Based on prior City Council policy established through Resolution No. 2017-40, the City can waive impact fees (which collect restricted funds on a one-time basis) if a development project institutes a

CFD. In an effort to gauge the appropriateness of CFD levels, staff compared fee levels paid by the Richman Residential project in comparison with the 127 Pomona project.

In total, the fee amounts that the City is proposing to waive in exchange for establishing the negotiated CFD for 127 Pomona is equal to \$1,701,447, or the sum of the development impact fees. The proposed first year payment is \$40,855, which will increase at a minimum of 4% per year. Based on that payment structure, the \$1,701,447 fee exemption for 127 Pomona would be paid back in around 25 years. In addition, the special tax for 127 Pomona will continue to be imposed in perpetuity, providing an ongoing revenue stream to help fund vital services.

In comparison, the total fee amounts that the City waived for the Richman Residential Project in exchange for establishing the negotiated CFD was equal to \$1,855,122.90, or the sum of the development impact fees. The approved CFD with Richman was established with an initial first year payment of \$100,047, which increases at a minimum of 4% per year. Based on that payment structure, the \$1,855,122.90 fee exemption for Richman would be paid back in around 14 years. In addition, the special tax for Richman will continue to be imposed in perpetuity, providing an ongoing revenue stream to help fund vital services.

Additional financial details are outlined in the Fiscal Impact section of this report.

Formation Proceedings

The specific format that must be followed for the formation of the CFD includes the following steps. At the public hearing, the City Council will hear any testimony concerning the CFD. Section 53325 of the Act provides that the City Council may modify the Resolution of Intention (Resolution No. 2019-51) by:

1. Eliminating proposed services;
2. Changing the rate or method of apportionment of the proposed special tax; or
3. Removing territory from the proposed district.

The City Council may not, however, modify Resolution No. 2019-51 to increase the maximum special tax or to add territory to the proposed district.

After closing the public hearing, the City Council may adopt Resolution No. 2020-15, approving the formation of the CFD and the levy of the special tax, subject to a special election, if written protests have not been filed by the owners of one-half or more of the area of land within the proposed CFD and not exempt from the special tax.

Following the formation of the CFD, the City Council may call a special election by the landowners within the CFD by adopting Resolution No. 2020-16. Each landowner has one vote for each acre, or portion thereof, owned by the landowner. The City Council may call such election for February 18, 2020. The City Council may levy the special tax if two-thirds of the votes cast at the special election are in favor of levying the special tax. Fifield Realty Corporation, Inc., is the only landowner and qualified elector within the district at this time. Therefore, developer's ballot will be opened and the vote tallied by the City Clerk at the Council meeting. Following the vote, and assuming the election is successful, the City Council is requested to consider adoption of Resolution No. 2020-17, which declares the results of the Special Election Community Facilities District No. 2019-02 (127 Pomona) and directs the recording of a Notice of Special Tax Lien, and introduction of Ordinance No. 2020-03, which establishes the levy of the special tax.

Should the City Council adopt Resolution No. 2020-17 and introduce Ordinance No. 2020-03, the City Clerk will subsequently record the Notice of Special Tax Lien with the Los Angeles County Recorder's Office. Final adoption of Ordinance No. 2020-03 will be scheduled for the Regular City Council Meeting on March 3, 2020.

ENVIRONMENTAL IMPACT: There is no environmental impact associated with the establishment of the Community Facilities District No. 2019-02 (127 Pomona). The adoption of the Resolutions and

Ordinance described above is exempt from the requirements of the California Environmental Quality Act (CEQA) and the City's CEQA Guidelines.

The direct effects of the adoption of the proposed Resolutions and Ordinance would not constitute a project as defined by CEQA Section 21065 and CEQA Guidelines Sections 15378(b)(4) and (b)(5) because the proposed Resolutions and Ordinance constitute: (a) the creation of government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment; and (b) organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

As a separate and independent ground, staff has determined that the adoption of the proposed Resolutions and Ordinance is exempt from the requirements of CEQA and the City's CEQA Guidelines pursuant to Section 15061(b)(3) of the CEQA Guidelines because it can be seen with certainty that there is no possibility that the adoption of the proposed Resolutions and Ordinance will have a significant effect on the environment.

FISCAL IMPACT: Staff worked closely with Fifield Realty Corporation representatives to finalize details related to the proposed CFD. The proposed annual CFD payment made by Fifield Realty Corporation would begin at \$40,855 / year, with an annual escalation cost increase factor. Furthermore, staff assessed probable annual service delivery cost impacts associated with the development of the 127 Pomona housing project. Based on reasonable estimates of increased calls for police service and fire service, coupled with open space maintenance improvements given the additional 310 residential units that will be constructed, the CFD assessment amount would not exceed our actual and incidental cost associated with enhanced service delivery levels. The proposed CFD will provide the funding mechanism for services through the levy of an annual special tax, which is expected to commence in Fiscal Year 2022-2023 when the certificate of occupancy for the project is issued. The individual property owners within the CFD will be responsible for the annual payments of special taxes levied within the CFD.

Also of note, the CFD payment negotiated with Fifield Realty Corporation would have to be made in perpetuity, and any ongoing City costs to administer the CFD will be reimbursed through the special taxes levied in the CFD. The proposed CFD will take approximately 25 years before the amount received meets the one-time development fee exemption of \$1,701,447. An example payback schedule is included below for your reference.

Fiscal Year	Special Tax (Per Unit)*	Annual Payment
1. FY 19-20	\$131.79	\$40,855.09
2. FY 20-21	\$137.06	\$42,489.29
3. FY 21-22	\$142.54	\$44,188.86
4. FY 22-23	\$148.25	\$45,956.41
5. FY 23-24	\$154.18	\$47,794.67
6. FY 24-25	\$160.34	\$49,706.46
7. FY 25-26	\$166.76	\$51,694.72
8. FY 26-27	\$173.43	\$53,762.51
9. FY 27-28	\$180.36	\$55,913.01
10. FY 28-29	\$187.58	\$58,149.53
11. FY 29-30	\$195.08	\$60,475.51
12. FY 30-31	\$202.89	\$62,894.53
13. FY 31-32	\$211.00	\$65,410.31
14. FY 32-33	\$219.44	\$68,026.72
15. FY 33-34	\$228.22	\$70,747.79
16. FY 34-35	\$237.35	\$73,577.70
17. FY 35-36	\$246.84	\$76,520.81

18. FY 36-37	\$256.71	\$79,581.64
19. FY 37-38	\$266.98	\$82,764.91
20. FY 38-39	\$277.66	\$86,075.50
21. FY 39-40	\$288.77	\$89,518.52
22. FY 40-41	\$300.32	\$93,099.26
23. FY 41-42	\$312.33	\$96,823.23
24. FY 42-43	\$324.83	\$100,696.16
25. FY 42-44	\$337.82	\$104,724.01
Total CFD Payments Collected Over Time Period:		\$1,701,447.14

*Includes 4% annual escalation; a CPI adjustment that exceeds 4% in a given year would result in a higher special tax for that year and each subsequent year.

OPTIONS: The following options are presented for City Council consideration:

1. Following the public hearing, and in the absence of a majority protest, proceed with formation of City of Monrovia Community Facilities District No. 2019-02 (127 Pomona) by taking the following actions:
 - a. Adopt Resolution No. 2020-15, a Resolution of Formation to Establish City of Monrovia Community Facilities District No. 2019-02 (127 Pomona), to Make Environmental Findings and Determinations with Respect Thereto Pursuant to the California Environmental Quality Act, to Establish an Appropriations Limit Therefor, to Authorize Levy of a Special Tax Therein, and to Submit the Establishment of an Appropriations Limit and the Levy of a Special Tax to the Qualified Electors Thereof (Attachment A); and
 - b. Adopt Resolution No. 2020-16, a Resolution Calling a Special Election within City of Monrovia Community Facilities District No. 2019-02 (127 Pomona) (Attachment B); and
 - c. Conduct the Special Election and Canvass Results; and
 - d. Adopt Resolution No. 2020-17, a Resolution Declaring the Results of a Special Election in City of Monrovia Community Facilities District No. 2019-02 (127 Pomona) and Directing the Recording of a Notice of Special Tax Lien; and
 - e. Introduce Ordinance No. 2020-03, an Ordinance Authorizing the Levy of a Special Tax within that District.
2. Do not proceed with the formation of Community Facilities District No. 2019-02 (127 Pomona) and provide staff with additional direction.

RECOMMENDATION: Staff recommends that the City Council select Option 1, proceeding with the formation of Community Facilities District No. 2019-02 (127 Pomona).

COUNCIL ACTION REQUIRED: If the City Council concurs, following the public hearing, the appropriate action would be a motion to approve the formation of City of Monrovia Community Facilities District No. 2019-02 (127 Pomona), adopt Resolution Nos. 2020-15 through 2020-17, and introduce, waive further reading, and read by title only Ordinance No. 2020-03; following the process outlined in the Agenda Report.

RESOLUTION NO. 2020-15

A RESOLUTION OF FORMATION OF THE CITY COUNCIL OF THE CITY OF MONROVIA, CALIFORNIA, TO ESTABLISH CITY OF MONROVIA COMMUNITY FACILITIES DISTRICT NO. 2019-02, TO MAKE ENVIRONMENTAL FINDINGS AND DETERMINATIONS WITH RESPECT THERETO PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, TO ESTABLISH AN APPROPRIATIONS LIMIT THEREFOR, TO AUTHORIZE THE LEVY OF A SPECIAL TAX THEREIN, AND TO SUBMIT THE ESTABLISHMENT OF AN APPROPRIATIONS LIMIT AND THE LEVY OF A SPECIAL TAX TO THE QUALIFIED ELECTORS THEREOF.

THE CITY COUNCIL OF THE CITY OF MONROVIA, CALIFORNIA, DOES hereby resolve as follows:

WHEREAS, on September 17, 2019, the City Council (the "City Council") of the City of Monrovia (the "City"), has previously adopted a resolution entitled "A Resolution of the City Council of the City of Monrovia, California, Declaring the Intention to Establish Community Facilities District No. 2019-02 (127 Pomona) and Authorize the Levy of a Special Tax therein to Fund Certain Public Services for the 127 Pomona Project" (the "Resolution of Intention to Establish District") stating its intention to conduct proceedings to form "City of Monrovia, Community Facilities District No. 2019-02" (the "District") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the California Government Code (the "Act") to finance certain public services (the "Services") to serve the District;

WHEREAS, a copy of the Resolution of Intention to Establish District setting forth a description of the proposed boundaries of the District, the Services to be financed by the District, including incidental expenses, and the rate and method of apportionment of the special tax proposed to be levied within the District (the "Rate and Method") is on file in the office of the City Clerk of the City;

WHEREAS, the Resolution of Intention to Establish District set November 5, 2019, as the date of a public hearing on the establishment of the District, the extent of the District, the furnishing of Services to serve the District, and the proposed rate and method of apportionment of the special tax within the District, which was opened and continued to February 18, 2020;

WHEREAS, a notice of the public hearing was published in accordance with the Act;

WHEREAS, prior to the date of the public hearing there was filed with the City Council a report containing a description of the Services necessary to adequately meet the needs of the District and an estimate of the cost of financing such Services as required by Section 53321.5 of the Act (the "Report");

WHEREAS, at the public hearing all persons desiring to be heard on all matters pertaining to the establishment of the District, the extent of the District, the furnishing of Services to serve the District, and the proposed rate and method of apportionment of the special tax were heard and a full and fair hearing was held;

WHEREAS, at the public hearing evidence was presented to the City Council on the matters before it and the City Council at the conclusion of the hearing is fully advised as to all matters relating to the formation of the District and the levy of the special tax;

WHEREAS, written protests with respect to the establishment of the District, the extent of the District, and the furnishing of Services to serve the District have not been filed with the City Clerk by fifty percent (50%) or more of the registered voters residing within the territory of the District or property owners of one-half (½) or more of the area of land within the District and not exempt from the levy of the special tax;

WHEREAS, the special tax proposed to be levied in the District to pay for the costs of the Services has not been eliminated by protest by fifty percent (50%) or more of the registered voters residing within the territory of the District or property owners of one-half (½) or more of the area of land within the District and not exempt from the levy of the special tax; and

WHEREAS, the City Council desires to proceed with the establishment of the District.

NOW, THEREFORE, the City Council of the City of Monrovia does hereby resolve, determine, and order as follows:

SECTION 1. Recitals. The above recitals are all true and correct.

SECTION 2. Finding of Validity. Pursuant to Section 53325.1(b) of the Act, the City Council finds and determines that all of the proceedings prior hereto were valid and taken in conformity with the requirements of the law, and specifically the provisions of the Act.

SECTION 3. CEQA Findings. Planning Department Staff has determined that the adoption of this Resolution is exempt from the requirements of the California Environmental Quality Act (CEQA) and the City's CEQA Guidelines. The direct effects of the adoption of this Resolution would not constitute a project as defined by CEQA Section 21065 and CEQA Guidelines Sections 15378(b)(4) and (b)(5) because the proposed Resolution constitutes: (a) the creation of government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment; and (b) organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment. As a separate and independent ground, Planning Department staff has determined that the adoption of this Resolution is exempt from the requirements of CEQA and the City's CEQA Guidelines pursuant to Section 15061(b)(3) of the CEQA Guidelines because it can be seen with certainty that there is no possibility that the adoption of this Resolution will have a significant effect on the environment. The City Council has reviewed the Planning Department's determinations of exemption, and based on its own independent judgment, concurs in staff's determinations of exemption.

SECTION 4. Name of District. The City Council hereby establishes and declares the formation of a community facilities district pursuant to the Act to be designated "City of Monrovia, Community Facilities District No. 2019-02 (127 Pomona)."

SECTION 5. Boundaries of District. The exterior boundaries of the District are shown on the map entitled "Proposed Boundaries of City of Monrovia Community Facilities District No. 2019-02" (the "Map") and recorded in the Los Angeles County Recorder's office. The Map is hereby approved and incorporated herein by reference.

SECTION 6. Services. The type of Services proposed to be provided to serve the District and to be financed under the Act shall consist of those Services set forth on Exhibit “A” and incorporated herein by reference. The City Council hereby finds that the proposed Services: (i) are necessary to meet increased demands placed upon the City as a result of development occurring in the District, (ii) will be in addition to those services provided in the territory of the District before the District was created, and (iii) will not supplant services already available within that territory before the District was created.

SECTION 7. No Majority Protest. The City Council hereby finds that written protests against the establishment of the District, against the furnishing of a specified type of services within the District, or against the levying of a specified special tax within the District have not been filed by fifty percent (50%) or more of the registered voters residing within the territory of the District or property owners of one-half (½) or more of the area of land within the District and not exempt from the levy of the special tax. Therefore, the City Council finds and declares that the special tax to be levied in the District has not been precluded by majority protest pursuant to Section 53324 of the Act.

SECTION 8. Special Tax.

a. Except where funds are otherwise available to pay for the Services, a special tax (the “Special Tax”) is hereby authorized, subject to approval by two-thirds of the votes cast within the District, to be levied annually, commencing Fiscal Year 2019-2020, in accordance with the procedures of the Act within the boundaries of the District sufficient to pay for the costs thereof, including incidental expenses. Incidental expenses are costs associated with formation of the District, determination of the amount of the Special Tax, collection of the Special Tax, payment of the Special Tax, costs incurred in order to carry out the authorized purposes of the District, and the costs of engineering, inspecting, coordinating, completing, planning and designing the Services, including the costs of environmental evaluations. The Special Tax will be secured by recordation of a continuing lien against all non-exempt real property in the District and will be collected in the same manner as ordinary ad valorem property taxes are collected, or in such other manner as may be provided by the City Council including, without limitation, direct billing of the affected property owner, and shall be subject to the same penalties, procedure, sale and lien priority in case of delinquency as applicable for ad valorem property taxes. In the first year in which the Special Tax is levied, the levy shall be done by direct billing and will include a sum sufficient to repay to the City all amounts, if any, transferred to the District pursuant to Section 53314 of the Act and interest thereon. The Special Tax will be levied annually in perpetuity, unless terminated earlier by the City Council.

b. The Rate and Method, which is the proposed rate and method of apportionment of the Special Tax among parcels of real property in the District, in sufficient detail to allow each resident or landowner to estimate the maximum amount such resident or owner will have to pay, is shown in Exhibit “B”, attached hereto and incorporated herein by reference. The City Council hereby determines the Rate and Method set forth in Exhibit “B” to be reasonable.

SECTION 9. Notice of Special Tax Lien. Upon recordation of a notice of special tax lien with respect to the District pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure each levy of the Special Tax shall attach to all nonexempt real property in the District, and this lien shall continue in force and effect until collection of the Special Tax by the City Council ceases.

SECTION 10. Appropriations Limit. An appropriations limit for the District is hereby established, subject to voter approval, as an amount equal to all the proceeds of the Special Tax collected annually within such District and as defined by Article XIII B of the California Constitution, as adjusted for changes in the cost of living and changes in population.

SECTION 11. Preparation of Annual Roll. The City Manager is designated to be responsible for preparing annually, or authorizing a designee to prepare, a current roll of Special Tax levy obligations by assessor's parcel number and for estimating future Special Tax levies pursuant to Section 53340.2 of the Act.

SECTION 12. Report. The Report is hereby approved, made a part of the record of the public hearing regarding the formation of the District, and ordered to be kept on file in the office of the City Clerk and open for public inspection.

SECTION 13. Special Tax Accountability Measures. Pursuant to and in compliance with the provisions of Government Code Section 50075.1, the City Council hereby establishes the following accountability measures pertaining to the levy by the District of the Special Tax described in Section 8 above:

a. Such Special Tax shall be levied for the specific purposes set forth in Section 8.a. hereof.

b. The proceeds of the levy of such Special Tax shall be applied only to the specific purposes set forth in Section 8.a. hereof.

c. The District shall establish an account or accounts into which the proceeds of such Special Tax shall be deposited.

d. The Director of Finance, or his or her designee, acting for and on behalf of the District, shall annually file a report with the City Council as required pursuant to Government Code Section 50075.3.

SECTION 14. Election. The proposition relating to the levy of the Special Tax and to establish an appropriations limit for the District, shall be submitted by the City Council to the qualified electors of the District, such electors being the landowners within the District, with each landowner having one vote per acre or portion thereof owned.

SECTION 15. Transmittal to Election Official. The City Council hereby authorizes and directs, within three (3) business days following adoption of this Resolution, that there be transmitted to the Election Official a certified copy of this Resolution and a certified copy of the boundary map described in Section 4 hereof and a sufficient description to allow the Election Official to determine the boundaries of the District.

PASSED, APPROVED AND ADOPTED on this 18th day of February, 2020.

Tom Adams, Mayor
City of Monrovia

ATTEST:

APPROVED AS TO FORM:

Alice D. Atkins, MMC, City Clerk
City of Monrovia

Craig A. Steele, City Attorney
City of Monrovia

EXHIBIT "A"

DESCRIPTION OF SERVICES

The services (the "Services") described below are proposed to be financed by Community Facilities District No. 2019-02 (127 Pomona) (the "District") of the City of Monrovia (the "City"). The Services are in addition to those provided in the territory of the CFD before establishing the CFD. The Services do not supplant services already available within the territory of the CFD before establishing the CFD.

The cost of the Services shall include incidental expenses, including the costs associated with forming the District, determination of the amount of the Special Taxes, collection of the Special Taxes, payment of the Special Taxes, costs incurred in order to carry out the authorized purposes of the District.

Services

1. Police protection services.
2. Fire protection and suppression services, and ambulance and paramedic services.
3. Maintenance and lighting of parks, parkways, streets, roads, and open space.
4. Maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is necessary to provide the described Services herein that is owned by the City or by another local agency pursuant to an agreement entered into under Section 53316.2.

The Services shall include the estimated and reasonable costs of providing the services including but not limited to: (i) the costs of contracting for services, (ii) the salaries and benefits of City staff, if the City directly provides services, (iii) the expense related to equipment, apparatus, and supplies related to these services and authorized by the Mello-Roos Community Facilities District Act of 1982 (the "Act"), and (iv) a proportionate share of City overhead costs associated with providing such services within the CFD.

EXHIBIT "B"

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax authorized under the Mello-Roos Community Facilities Act of 1982 applicable to the land in the Community Facilities District No. 2019-02 (CFD) of the City of Monrovia (City) shall be levied and collected according to the tax liability determined by the City through the application of the appropriate amount or rate described herein.

A. DEFINITIONS

"Acre" means each acre of the land area making up an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Map or other recorded County parcel map.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means the actual or estimated costs incurred by the City to determine, levy and collect the Special Taxes, including the proportionate amount of the salaries and benefits of City employees whose duties are directly related to administration of the CFD and the fees of Special Tax levy administrator, other consultants, legal counsel, the costs of collecting installments of the Special Taxes upon the County tax rolls and any other incidental costs authorized by the Act.

"Annual Escalation Factor for Maintenance Service Costs" means an amount equal to the percentage change in the Construction Cost Index as published by the Engineering News-Record (ENRCCI) for the twelve months ending in January, as published in January of the preceding year, or 4%, whichever is greater. If the ENRCCI at any time is no longer available, then a comparable economic indicator, as reasonably determined by City, shall be used.

"Annual Escalation Factor for Non-Maintenance Service Costs" means an amount equal to the percentage increase during the preceding year in the Consumer Price Index for All Urban Consumers in the Los Angeles-Riverside-Orange County metropolitan area (CPI-U), as published by the U.S. Department of Labor, Bureau of Labor Statistics for the twelve months ending in January, as published in January of the preceding year, or 4%, whichever is greater. If the CPI-U at any time is no longer available, then a comparable economic indicator, as reasonably determined by City, shall be used.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Number" means, with respect to an Assessor's Parcel, that number assigned to such Assessor's Parcel by the County of Santa Barbara for purposes of identification.

"Annual Special Tax" means the annual Special Tax, determined in accordance with Section D below to be levied in the CFD in any Fiscal Year on any Assessor's Parcel.

"Base Year" means the Fiscal Year ending June 30, 2020.

“Building Permit” means a single permit or set of permits required to construct an entire structure.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining and providing for the levy and collection of the Special Tax.

“CFD” or “CFD No. 2019-02” means Community Facilities District No. 2019-02 (127 Pomona) of the City of Monrovia.

“City” means the City of Monrovia.

“City Council” means the City Council of the City of Monrovia, acting as the legislative body of the City and the CFD.

“County” means the County of Los Angeles, California.

“County Assessor” means the Los Angeles County Assessor.

“Developed Residential Property” means all Assessor Parcels of Developed Property for which a Building Permit has been issued prior to April 1 of the preceding Fiscal Year for construction of a Residential Unit.

“Fiscal Year” means the period starting July 1 and ending the following June 30.

“Land Use Classification” means any of the classes listed in Section B(1).

“Maximum Special Tax” means the greatest amount of Special Tax, determined in accordance with Sections B and C below that can be levied in the CFD in any Fiscal Year on any Assessor’s Parcel.

“Owner Association Property” means any property within the boundaries of the CFD owned by a homeowner association or property owner association, including any master or sub association.

“Public Property” means any property within the boundaries of the CFD that is either (i) owned by the federal government, the State of California, the City, the County, another public agency, or a private nonprofit organization that owns and is responsible for conservation of open space areas, or (ii) encumbered by an easement owned by any such public agency or private organization which easement makes the development of such property impractical. Notwithstanding the foregoing, a leasehold or other possessory interest in any such property which is subject to taxation pursuant to Section 53340.1 of the Act shall not constitute “Public Property.”

“Residential Unit” means each separate residential dwelling unit on an Assessor's Parcel that comprises an independent facility capable of conveyance or rental as distinct from adjacent residential dwelling units. An accessory residential dwelling unit that shares a Parcel with a Single Family Detached Residential Unit shall not be considered as a Residential Unit for the purposes of this RMA.

“RMA” means this Rate and Method of Apportionment of Special Tax.

“**Services**” means the services authorized to be funded by the CFD as described in the Resolution of Intention for the CFD.

“**Special Tax**” means a Special Tax levied in any Fiscal Year to pay the Special Tax Requirement.

“**Special Tax Requirement**” means the amount required in any Fiscal Year for the CFD to i) provide the Services; ii) pay for reasonable Administrative Expenses; iii) repayment of the cost of the CFD formation; iv) pay any amounts required to establish or replenish any reserve funds, and v) cure any delinquencies in the payment of Special Taxes which have occurred in the prior Fiscal Year or pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year.

“**State**” means the State of California.

“**Taxable Property**” means any Assessor's Parcel that is not Tax-Exempt Property.

“**Tax-Exempt Property**” means any Parcel within the CFD which is not Developed Residential Property or Undeveloped Property, and includes Public Property and Owner Association Property.

“**Undeveloped Property**” means any Assessor's Parcel which is not Tax-Exempt Property, and for which no Building Permit has been approved and issued by April 1 of the previous Fiscal Year.

B. DETERMINATION OF MAXIMUM SPECIAL TAX

The Maximum Special Tax shall be calculated as follows:

- 1. Classification of Parcels.** Each Fiscal Year, using the Definitions above and the Parcel records of the County Assessor's Secured Tax Roll of July 1, the City shall cause each Parcel of land in the CFD to be classified as Developed Residential Property, Undeveloped Property, Owner Association Property, or Tax-Exempt Property.
- 2. Assignment of Maximum Special Tax.** Each Fiscal Year, the Base Year Maximum Tax shown below shall be escalated as specified in Section C, Annual Adjustment of Maximum Special Tax, to determine the Maximum Special Tax for the upcoming Fiscal Year for each Land Use Classification.

Land Use Classification	Base Year Maximum Tax
Developed Residential Property	\$131.79 per Residential Unit
Undeveloped Property	\$0
Owner Association Property	\$0
Tax-Exempt Property	\$0

- 3. Conversion of a Tax-Exempt Property to a Taxable Property.** If a Tax-Exempt Property is not needed for public use and is converted to private use, it shall become subject to the Special Tax.

4. Nonresidential Developed Property. In the event that any property is converted to nonresidential developed property, it shall become subject to the special tax at an amount equal to the special tax for undeveloped property.

C. ANNUAL ADJUSTMENT OF MAXIMUM SPECIAL TAX

Beginning in January 2021 and each January thereafter, the Maximum Special Tax shall be adjusted each fiscal year by CPI or Four Percent (4%), whichever is greater. Each annual adjustment of the Maximum Special Tax shall become effective for the following Fiscal Year.

D. DETERMINATION OF THE ANNUAL SPECIAL TAX

Commencing with the Base Year, and for each subsequent Fiscal Year, the City Council shall determine the Special Tax Requirement and shall levy the Annual Special Tax on each Assessor's Parcel of Developed Residential Property at up to 100% of the applicable Maximum Special Tax to fund the Special Tax Requirement.

If additional revenues are needed to provide the Maintenance Services; pay anticipated Administrative Expenses; and cure any delinquencies in the payment of Special Taxes which have occurred in the prior Fiscal Year or pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year, the Annual Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property.

Under no circumstances will the Annual Special tax levied against any Assessor's Parcel of Developed Property increase by more than 10% as a consequence of delinquency or default by the owner of any other Assessor's Parcel within the CFD.

Subject to the preceding, the amount of Annual Special Tax levied upon any Developed Property and Undeveloped Property in any Fiscal Year shall not exceed the Maximum Special Tax for such Fiscal Year as computed herein.

E. DURATION OF THE SPECIAL TAX

Assessor's Parcels in the CFD shall remain subject to the Special Tax in perpetuity. If the Special Tax ceases to be levied, the City or its designee shall direct the County Recorder to record a Notice of Cessation of Special Tax. Such notice will state that the obligation to pay the Special Tax has ceased and that the lien imposed by the Notice of Special Tax Lien is extinguished.

F. PREPAYMENT OF SPECIAL TAX

Prepayment of the Special Tax is not authorized.

G. APPEALS AND INTERPRETATION PROCEDURE

Any property owner who feels the portion of the Special Tax levied on the subject property is in error, may file a written appeal no later than April 10 of the Fiscal Year in which the levy occurred, with the City Manager or his or her designee, appealing the levy of the

Special Tax on the subject property. The City Manager or his or her designee will promptly review the appeal, and, if necessary, meet with the applicant, and decide the merits of the appeal. If the findings of the City Manager or his or her designee verify that the Special Tax levied should be modified, the Special Tax levy for future Fiscal Years shall be corrected, and a credit against future Special Taxes shall be arranged, if applicable. Any overcharges shall be corrected solely by means of adjustments to future Special Tax levies; no cash refunds shall be made. Any dispute over the decision of the City Manager or his or her designee shall be referred to the City Manager, and the City Council and the decision of the City Council shall be final and binding on all parties.

Interpretation may be made by resolution of the City Council for purposes of clarifying any vagueness or uncertainty as it relates to the application of the Special Tax rate, or application of the method of apportionment, or classification of properties or any definition applicable to the CFD.

H. COLLECTION OF THE SPECIAL TAX

The Special Tax shall be collected each year in the same manner and at the same time as ad valorem property taxes are collected and shall be subject to the same penalties and lien priorities in the case of delinquency as is provided for ad valorem taxes. The City shall cause the actions required above to be done for each Fiscal Year in a timely manner to assure that the schedule of the Special Taxes to be collected are received by the County Auditor for inclusion with billings for such ad valorem taxes for the applicable Fiscal Year. However, the CFD Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the City or as otherwise determined appropriate by the CFD Administrator.

RESOLUTION NO. 2020-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONROVIA, CALIFORNIA, CALLING A SPECIAL ELECTION WITHIN CITY OF MONROVIA COMMUNITY FACILITIES DISTRICT NO. 2019-02 (127 POMONA).

THE CITY COUNCIL OF THE CITY OF MONROVIA, CALIFORNIA, DOES hereby resolve as follows:

WHEREAS, on February 18, 2020, this City Council adopted a resolution entitled “A Resolution of Formation of the City Council of the City of Monrovia to Establish City of Monrovia Community Facilities District No. 2019-02 (127 Pomona), to Make Environmental Findings and Determinations With Respect Thereto Pursuant to the California Environmental Quality Act in Connection Therewith, to Establish an Appropriations Limit Therefor, to Authorize Levy of a Special Tax Therein, and to Submit the Establishment of an Appropriations Limit and the Levy of a Special Tax to the Qualified Electors Thereof” (the “Resolution of Formation”), ordering the formation of the City of Monrovia Community Facilities District No. 2019-02 (127 Pomona) (the “District”), establishing an appropriations limit for the District and authorizing levy of a special tax (the “Special Tax”) on property within the District, subject to approval of the qualified electors of the District at a special election referred to below, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the California Government Code (the “Act”); and

WHEREAS, pursuant to the provisions of said resolution, the proposition of the levy of said Special Tax and the establishment of the appropriations limit will be submitted to the qualified electors of the district as required by the Act.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONROVIA DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

1. Recitals. The above recitals are all true and correct.
2. Ballot Proposition. Pursuant to Sections 53325.7 and 53326 of the Act, the proposition relating to the levy of the Special Tax and the proposition for the establishment of the appropriations limit shall be submitted to the qualified electors of the District as required by the Act.

If the proposition for the levy of the Special Tax and the establishment of the appropriations limit receives the approval of more than two-thirds of the votes cast on the proposition, the Special Tax may be levied, and the appropriations limit may be established as provided for in the Resolution of Formation.

The ballot proposition shall be in the form attached hereto as Exhibit “A” and by this reference incorporated herein, and said form of ballot is hereby approved.

3. Electors Determined. The City Council finds, based on information provided by the Registrar of Voters of the County of Los Angeles, that fewer than 12 registered voters have been registered to vote within the territory of the District for each of the 90 days

preceding the close of the public hearing heretofore conducted and concluded by the City Council for the purposes of these proceedings. Accordingly, and pursuant to Section 53326 of the Act, the City Council finds that for purposes of these proceedings the qualified electors are the landowners within the District. Each landowner shall have one vote for each acre or portion thereof that he or she owns within the District, as provided in Section 53326 of the Act. The City Council finds that there is one (1) qualified elector in the District.

4. Election. This City Council hereby calls a special election to consider the propositions described in Section 2 above, which election shall be held on February 18, 2020 in the City Council Chambers, located at 415 South Ivy Avenue, Monrovia, California 91016 immediately following adoption of this Resolution. The City Clerk is hereby designated as the official to conduct said election. It is hereby acknowledged that the City Clerk has on file a copy of this Resolution and a map of the boundaries of the District.

The voted ballots shall be returned to the City Clerk immediately following adoption of this Resolution, but in any event no later than 10:00 p.m. on February 18, 2020, and when the qualified elector(s) have voted, but not later than 10:00 p.m. on February 18, 2020, the election shall be closed.

5. Mail Ballot. Pursuant to Section 53327 of the Act, the election shall be conducted by mail ballot in accordance with the California Elections Code. This City Council hereby finds that paragraphs (a), (b) and (c)(1) of Section 4000 of the California Elections Code are applicable to this special election.
6. Ballot. This City Council acknowledges that the City Clerk has caused to be delivered to the qualified elector(s) of the District a ballot in the form set forth in Exhibit "A" hereto.

The ballot was accompanied by all supplies and written instructions necessary to the use and return of the ballot. The envelope to be used to return the ballot was enclosed with the ballot, had the return postage prepaid, and contained the following: (a) the name and address of the landowner, (b) a declaration, under penalty of perjury, stating that the voter is owner of record or authorized representative of the owner of record entitled to vote and is the person whose name appears on the envelope, (c) the printed name, signature and address of the voter, (d) the date of signing and place of execution of the declaration pursuant to clause (b) above, and (e) a notice that the envelope contains an official ballot and is to be opened only by the canvassing board.

Analysis and arguments with respect to the ballot measures have been waived by the qualified elector(s), by unanimous written consent waiving all applicable time limits and requirements pertaining to the conduct of said special election, as permitted by Section 53327 of the Act. The City Council hereby concurs in said waiver.

7. Return of Ballots. The City Clerk shall accept the ballot of the qualified elector(s) in the City Council Chambers upon and prior to the adoption of this Resolution, whether said ballot be personally delivered or received by mail. The City Clerk shall have available a ballot which may be marked at said location on the election day by said qualified elector(s).
8. Waiver of Time Limits for Election. This City Council hereby further finds that the provision of Section 53326 of the Act requiring a minimum of 90 days following the adoption of the resolution calling the election to elapse before said special election is for the protection of the qualified elector(s) of the District. The unanimous written consent of the qualified

elector(s) of the District waiving all applicable time limits and requirements pertaining to the conduct of said special election has been received. Accordingly, this City Council finds and determines that said qualified elector(s) have been fully apprised of and have agreed to the shortened time for the election and have thereby been fully protected in these proceedings. This City Council also finds and determines that the City Clerk has concurred in the shortened time for the election.

PASSED, APPROVED AND ADOPTED on this 18th of February, 2020.

Tom Adams, Mayor
City of Monrovia

ATTEST:

APPROVED AS TO FORM:

Alice D. Atkins, MMC, City Clerk
City of Monrovia

Craig A. Steele, City Attorney
City of Monrovia

EXHIBIT "A"

**BALLOT MEASURE
SPECIAL ELECTION**

City of Monrovia Community Facilities District No. 2019-02 (127 Pomona)

This ballot is for a special landowner election. You must return this ballot in the enclosed postage paid envelope to the office of the City Clerk of the City of Monrovia no later than 4:00p.m. on February 18, 2020, by mail; or in person to the location of the public hearing no later than 7:30p.m. on February 18, 2020. The City Clerk's office is located at 415 South Ivy Avenue, Monrovia California 91016. The public hearing will be held at the City Council Chambers, 415 South Ivy Avenue, Monrovia California 91016.

This ballot is provided to 123 West Pomona, LLC, and represents all votes in relation to the following list of Assessor Parcel Numbers: 8507-002-033, 8507-002-034, 8507-002-035, 8507-002-039, 8507-002-038, 8507-002-907, 8507-002-908.

To vote, mark a cross (X) in the voting square after the word "YES" or after the word "NO". All marks otherwise made are forbidden and make the ballot void. If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Monrovia to obtain a replacement ballot.

MEASURE: Shall special taxes, with a rate and method of apportionment as set forth in Exhibit "B" to the resolution entitled "Resolution of Formation of the City Council of the City of Monrovia to Establish City of Monrovia Community Facilities District No. 2019-02 (127 Pomona), to Establish an Appropriations Limit therefor, to Authorize the Levy of a Special Tax Therein, and to Submit the Establishment of an Appropriations Limit and the Levy of a Special Tax to the Qualified Electors Thereof" (the "Resolution of Formation"), be levied annually on taxable property within City of Monrovia Community Facilities District No. 2019-02 (127 Pomona), to pay for services and incidental expenses thereto, and shall the appropriations limit be established, all as set forth in the Resolution of Formation?

Yes

No

123 West Pomona, LLC

By: _____
Authorized Representative:

RESOLUTION NO. 2020-17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONROVIA, CALIFORNIA, DECLARING THE RESULTS OF A SPECIAL ELECTION IN CITY OF MONROVIA COMMUNITY FACILITIES DISTRICT NO. 2019-02 (127 POMONA) AND DIRECTING THE RECORDING OF A NOTICE OF SPECIAL TAX LIEN.

THE CITY COUNCIL OF THE CITY OF MONROVIA, CALIFORNIA, DOES hereby resolve as follows:

WHEREAS, in proceedings heretofore conducted by the City Council of the City of Monrovia (the "City Council") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (the "Act"), the City Council adopted on February 18, 2020 a resolution entitled "A Resolution of the City Council of the City of Monrovia Calling a Special Election Within City of Monrovia Community Facilities District No. 2019-02" (the "Resolution Calling Election"), calling for a special election (the "Special Election") of the qualified electors within Community Facilities District No. 2019-02 (the "District"); and

WHEREAS, pursuant to the terms of said resolution, which are by this reference incorporated herein, the Special Election was held on February 18, 2020, and the City Clerk has on file a Certificate of the City Clerk as to the Results of the Canvass of the Election Returns (the "Certificate"), a copy of which is attached hereto as Exhibit A and by this reference incorporated herein; and

WHEREAS, this City Council has reviewed said Certificate and hereby approves it.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MONROVIA:

1. Recitals. The above recitals are all true and correct.
2. Ballot Proposition. The issues presented at the Special Election are set forth in Exhibit B attached hereto and by this reference incorporated herein.
3. Election Results. The results of the Special Election are as set forth in the Certificate on file with the City Clerk and attached hereto as Exhibit A. Pursuant to the Certificate, the proposition presented at the Special Election was approved by more than two-thirds of the votes cast by the qualified electors of the District.
4. Ballot Proposition Authorized. This City Council, acting in its capacity as legislative body of the District, is hereby authorized to levy on the land within the District the special tax described in the proposition for the purposes described therein, and to take the necessary steps to levy the special tax authorized by the proposition and the appropriations limit as specified in the proposition is hereby established.
5. Finding of Validity. It is hereby found that all prior proceeding and actions taken by this City Council with respect to the District were valid and in conformity with the Act.

6. Notice of Special Tax Lien. In accordance with Government Code Section 53328.3, the City Clerk is hereby directed to record in the office of the County Recorder of the County of Los Angeles within fifteen (15) days of the date hereof a notice of special tax lien with respect to the District in substantially the form required by California Streets and Highways Code Section 3114.5.

PASSED, APPROVED AND ADOPTED on this 18th day of February, 2020.

Tom Adams, Mayor
City of Monrovia

ATTEST:

APPROVED AS TO FORM:

Alice D. Atkins, MMC, City Clerk
City of Monrovia

Craig A. Steele, City Attorney
City of Monrovia

EXHIBIT A

**CERTIFICATE OF THE CITY CLERK AS TO THE RESULTS OF THE
CANVASS OF THE ELECTION RETURNS**

City of Monrovia Community Facilities District No. 2019-02
(127 Pomona)

I, the undersigned City Clerk of the City of Monrovia, hereby certify that I canvassed the returns of the Special Election in the City of Monrovia Community Facilities District No. 2019-02 and that the election was held in the Chambers of the City Council on February 18, 2020.

I further certify that the total number of ballots cast in said election and the total number of votes cast for and against the proposition is full, true and correct:

	Qualified Eligible Voters	Votes Cast	Yes	No
Proposition				

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND this 18th of February,
2020.

By: _____
Alice D. Atkins, MMC
City Clerk, City of Monrovia

EXHIBIT B

PROPOSITION:

Shall special taxes, with a rate and method of apportionment as set forth in Exhibit "B" to the resolution entitled "Resolution of Formation of the City Council of the City of Monrovia to Establish City of Monrovia Community Facilities District No. 2019-02 (127 Pomona), to Establish an Appropriations Limit therefor, to Authorize the Levy of a Special Tax Therein, and to Submit the Establishment of an Appropriations Limit and the Levy of a Special Tax to the Qualified Electors Thereof" (the "Resolution of Formation"), be levied annually on taxable property within City of Monrovia Community Facilities District No. 2019-02 (127 Pomona), to pay for services and incidental expenses thereto, and shall the appropriations limit be established, all as set forth in the Resolution of Formation?

ORDINANCE NO. 2020-03

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONROVIA, CALIFORNIA, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF CITY OF MONROVIA COMMUNITY FACILITIES DISTRICT NO. 2019-02 (127 POMONA) AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN THAT DISTRICT.

THE CITY COUNCIL OF THE CITY OF MONROVIA DOES HEREBY ORDAIN AS FOLLOWS:

WHEREAS, the City Council of the City of Monrovia (the "City Council"), has previously adopted a resolution entitled "A Resolution of Intention of the City Council of the City of Monrovia to Establish City of Monrovia Community Facilities District No. 2019-02 (127 Pomona) and to Authorize the Levy of A Special Tax within City of Monrovia Community Facilities District No. 2019-02" (the "Resolution of Intention to Establish District") stating its intention to conduct proceedings to form City of Monrovia Community Facilities District No. 2019-02 (127 Pomona) (the "District") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the California Government Code (the "Act") to finance certain public services (the "Services") to serve the area of land hereinafter described; and

WHEREAS, the Resolution of Intention to Establish District set November 5, 2019, as the date of a public hearing on the establishment of the District, the extent of the District, the furnishing of Services to serve the District, and the proposed rate and method of apportionment of the special tax within the District, which was opened and continued to February 18, 2020;

WHEREAS, a notice of the public hearing was published in accordance with the Act; and

WHEREAS, prior to the date of the public hearing there was filed with the City Council a report containing a description of the Services necessary to adequately meet the needs of the District and an estimate of the cost of financing such Services as required by Section 53321.5 of the Act; and

WHEREAS, at the public hearing all persons desiring to be heard on all matters pertaining to the establishment of the District, the extent of the District, the furnishing of Services to serve the District, and the proposed rate and method of apportionment of the special tax were heard and a full and fair hearing was held; and

WHEREAS, at the public hearing evidence was presented to the City Council on the matters before it and the City Council at the conclusion of the hearing is fully advised as to all matters relating to the formation of the District, and the levy of the special tax therein; and

WHEREAS, subsequent to the public hearing, the City Council adopted a resolution entitled "A Resolution of Formation of the City Council of the City of Monrovia to Establish City of Monrovia Community Facilities District No. 2019-02 (127 Pomona), to Make Environmental Findings and Determinations With Respect Thereto Pursuant to the California Environmental Quality Act, to Establish an Appropriations Limit Therefor, to Authorize the Levy of a Special Tax Therein, and to Submit the Establishment of an Appropriations Limit and the Levy of a Special Tax to the Qualified Electors Thereof" (the "Resolution of Formation") which established the

District and authorized the levy of a special tax, subject to approval by qualified electors, within the District; and

WHEREAS, subsequent to the public hearing, the City Council also adopted a resolution entitled “A Resolution of the City Council of the City of Monrovia Calling a Special Election within City of Monrovia Community Facilities District No. 2019-02 (127 Pomona)” (the “Resolution Calling a Special Election”) which called a special election of the qualified electors of the District; and

WHEREAS, pursuant to the terms of the Resolution Calling a Special Election, an election was held within the District at which the qualified electors of the District approved the levy of a special tax within the District and the establishment of an appropriations limit for the District; and

WHEREAS, on February 18, 2020, the City Council adopted a resolution entitled “A Resolution of the City Council of the City of Monrovia Declaring the Results of a Special Election in City of Monrovia Community Facilities District No. 2019-02 (127 Pomona) and Directing the Recording of a Notice of Special Tax Lien” (the “Resolution Declaring Results of Election”) which certified the results of the February 18, 2020 election conducted by the City Clerk, which results showed that more than two-thirds of the votes cast in the District were in favor of the proposition to levy the special tax and establish an appropriations limit for the District.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONROVIA DOES HEREBY ORDAIN AS FOLLOWS:

1. Recitals. The above recitals are all true and correct.
2. Authorization of Levy of Special Tax. By passage of this Ordinance, the City Council authorizes the levy of a special tax within the District at the rates and in accordance with the Rate and Method of Apportionment set forth in Exhibit B to the Resolution of Intention to Establish District which is on file in the office of the City Clerk and incorporated herein by reference.
3. Annual Rate Determination. The City Council is hereby further authorized each year, by resolution adopted as provided in Section 53340 of the Act, to determine the specific special tax rate and amount to be levied on each parcel of land in the District for the then current and future tax years, except that the special tax rate to be levied shall not exceed the maximum rates set forth in the Rate and Method, but the special tax may be levied at a lower rate. Such resolution is to be filed by the clerk with the County Auditor-Controller of the County of Los Angeles on or before August 10 of the same tax year.
4. Exemption of Government Property. Properties or entities of the state, federal, or other local governments shall be exempt from the above-referenced and approved special tax only to the extent set forth in the Rate and Method, and otherwise shall be subject to tax consistent with the provisions of Section 53317.3 and 53317.5 of the Act.
5. Use of Collections. All of the collections of the special tax shall be used only as provided for in the Act and in the Resolution of Formation. The special tax shall be levied only so long as needed for its purpose as described in the Resolution of Formation.

6. Collection. The special tax shall be collected in the same manner as ordinary ad valorem taxes and shall be subject to the same penalties and the same procedure, sale and lien in any case of delinquency as applicable for ad valorem property taxes; provided, however, that the special tax may be collected by direct billing by the City of the property owners in the District or in such other manner as may be provided by the City Council.
7. Authorization. The specific authorization for adoption of this Ordinance is the provisions of Section 53340 of the Act.
8. Severability. If for any reason any portion of this Ordinance is found to be invalid, or if the special tax is found inapplicable to any particular parcel within the District, by a Court of competent jurisdiction, the balance of this Ordinance, and the application of the special tax to the remaining parcels within the District shall not be affected.
9. Publication. The City Clerk shall cause this Ordinance to be published at least once in a newspaper of general circulation, published and circulated in the City within fifteen (15) days after its passage in accordance with Section 36933 of the Government Code, shall certify to the adoption of this Ordinance and shall cause this Ordinance and the City Clerk's certification, together with proof of publication.
10. Effective Date. This Ordinance shall go into effect and be in full force and effect at 12:01 a.m. on the thirty-first (31st) day after its passage.

INTRODUCED this 18th day of February, 2020.

PASSED, APPROVED AND ADOPTED this 3rd day of March, 2020.

Tom Adams, Mayor
City of Monrovia

ATTEST:

APPROVED AS TO FORM:

Alice D. Atkins, MMC, City Clerk
City of Monrovia

Craig A. Steele, City Attorney
City of Monrovia