



## **CITY OF WEST COVINA**

### **CITY COUNCIL/SUCCESSOR AGENCY**

**JUNE 4, 2019, 7:00 PM  
REGULAR MEETING**

**CITY HALL COUNCIL CHAMBERS  
1444 W. GARVEY AVENUE SOUTH  
WEST COVINA, CALIFORNIA 91790**

**Mayor Lloyd Johnson  
Mayor Pro Tem Tony Wu  
Councilman Dario Castellanos  
Councilwoman Letty Lopez-Viado  
Councilmember Jessica C. Shewmaker**

*Please turn off all cell phones and other electronic devices prior to entering the Council Chambers*

#### ***AMERICANS WITH DISABILITIES ACT***

The City complies with the Americans with Disabilities Act (ADA). If you will need special assistance at Council meetings, please call (626) 939-8433 (voice) or (626) 960-4422 (TTY) from 8 to 5 Monday through Thursday. Do call at least one day prior to the meeting date to inform us of your particular needs and to determine if accommodation is possible. For sign language interpreter services at Council meetings, please request no less than four working days prior to the meeting.

#### ***AGENDA MATERIAL***

Agenda material is available for review at the City Clerk's Office, Room 317 in City Hall, 1444 W. Garvey Avenue South, West Covina and at [www.westcovina.org](http://www.westcovina.org). Any writings or documents regarding any item on this agenda, not exempt from public disclosure, provided to a majority of the City Council that is distributed less than 72 hours before the meeting, will be made available for public inspection in the City Clerk's Office, Room 317 of City Hall located at 1444 W. Garvey Avenue South, West Covina, during normal business hours.

#### ***NOTICE***

The City Council will regularly convene on the first and third Tuesday of the month. The West Covina Community Development Commission, West Covina Public Financing Authority and the West Covina Community Services Foundation are agencies on which the City Council serves as members. Agendas may contain items for these boards, as necessary.

#### **PUBLIC COMMENTS ADDRESSING THE CITY COUNCIL (Per WCMC 2-48, Ordinance No. 2150)**

**Any person wishing to address the City Council on any matter listed on the agenda or on any other matter within their jurisdiction should complete a speaker card that is provided at the entrance to the Council Chambers and submit the card to the City Clerk.**

***Please identify on the speaker card whether you are speaking on an agenda item or non-agenda. Requests to speak on agenda items will be heard prior to requests to speak on non-agenda items. All comments are limited to five (5) minutes per speaker.***

**Oral Communications may be limited to thirty (30) minutes, unless speakers addressing agenda items have not concluded.**

**Any testimony or comments regarding a matter set for a Public Hearing will be heard during the hearing.**

#### ***RULES OF DECORUM***

Excerpts from the West Covina Municipal Code and Penal Code pertaining to the Rules of Decorum will be found at the end of agenda.

# **AGENDA**

## **CITY OF WEST COVINA CITY COUNCIL/SUCCESSOR AGENCY**

**TUESDAY JUNE 4, 2019, 7:00 PM  
REGULAR MEETING**

### **INVOCATION**

Led by Leslie Jenal  
Citrus Valley Hospice

### **PLEDGE OF ALLEGIANCE**

Led by Mayor Lloyd Johnson

### **ROLL CALL**

### **REPORTING OUT FROM CLOSED SESSION**

### **ORAL COMMUNICATIONS - Five (5) minutes per speaker**

*Please step forward to the podium and state your name and city of residence for the record when recognized by the Mayor.*

### **CONSENT CALENDAR**

*All matters listed under CONSENT CALENDAR are considered to be routine and can be acted on by one roll call vote. There will be no separate discussion of these items unless members of the City Council/Community Development Commission request specific items to be removed from the Consent Calendar for separate discussion or action.*

### **APPROVAL OF MINUTES**

- 1) **MAY 8, 2019, CITY COUNCIL/SUCCESSOR AGENCY SPECIAL CLOSED SESSION MEETING MINUTES**  
**MAY 8, 2019, CITY COUNCIL/SUCCESSOR AGENCY CLOSED SESSION MEETING MINUTES**  
**MAY 13, 2019, JOINT CITY COUNCIL/PLANNING COMMISSION SPECIAL MEETING MINUTES**  
**MAY 21, 2019, CITY COUNCIL/SUCCESSOR AGENCY CLOSED SESSION MEETING MINUTES**  
**MAY 21, 2019, CITY COUNCIL/SUCCESSOR AGENCY REGULAR MEETING MINUTES**

It is recommended that the City Council receive and file the Special Closed Session Meeting Minutes of May 8, 2019, the Closed Session Meeting Minutes of May 8, 2019, the Joint Special Meeting Minutes of May 13, 2019, the Closed Session Meeting Minutes of May 21, 2019, and the Regular Meeting Minutes of May 21, 2019.

### **CLAIMS AGAINST THE CITY**

- 2) **GOVERNMENT TORT CLAIM DENIALS**

It is recommended that the City Council deny the following Government Tort Claims and the claimants be notified:

- Marisol Reyes vs. The City of West Covina
- Jose Ramirez vs. The City of West Covina
- Elizabeth Vizcaino vs. The City of West Covina

**ORDINANCES FOR ADOPTION - Procedural Waiver.** *Waive full reading of each ordinance on the agenda and authorize the approval of each ordinance by title only.*

**3) ZONING ORDINANCE TEXT AMENDMENT NO. 19-01 - SMALL RECYCLING FACILITIES**

It is recommended that the City Council adopt the following ordinance:

**ORDINANCE NO. 2460 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA TO AMEND SUBSECTION (1) OF SECTION 26-685.93 OF CHAPTER 26, ARTICLE XII, DIVISION 14 OF THE WEST COVINA MUNICIPAL CODE RELATING TO SMALL RECYCLING FACILITIES**

**COMMUNITY DEVELOPMENT**

**4) CONSIDERATION OF A RESOLUTION AUTHORIZING APPLICATION FOR A FIVE-YEAR CALRECYCLE GRANT**

It is recommended that the City Council adopt the following resolution:

**RESOLUTION NO. 2019-37 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, AUTHORIZING THE SUBMITTAL OF APPLICATIONS FOR ALL CALRECYCLE GRANTS FOR WHICH THE CITY OF WEST COVINA IS ELIGIBLE FOR FIVE YEARS FROM THE DATE OF THE ADOPTION OF THIS RESOLUTION**

**5) CONSIDERATION OF ADOPTION OF A RESOLUTION OF INTENTION TO LEVY ASSESSMENTS FOR THE AUTO PLAZA BUSINESS IMPROVEMENT DISTRICT**

It is recommended that the City Council adopt the following resolution:

**RESOLUTION NO. 2019-33 - A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA TO LEVY ASSESSMENTS WITHIN THE WEST COVINA AUTO PLAZA BUSINESS IMPROVEMENT DISTRICT AREA FOR FISCAL YEAR 2019-20, AND PROVIDE NOTICE OF PUBLIC HEARING THEREON TO BE CONDUCTED JUNE 18, 2019**

**FIRE DEPARTMENT**

**6) CONSIDERATION OF A BUDGET AMENDMENT FOR THE GROUND EMERGENCY MEDICAL TRANSPORT QUALITY ASSURANCE FEE PROGRAM FOR FISCAL YEAR 2018-19**

It is recommended that the City Council adopt the following resolution:

**RESOLUTION NO. 2019-36 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING A BUDGET AMENDMENT FOR THE FISCAL YEAR COMMENCING JULY 1, 2018 AND ENDING JUNE 30, 2019 (GROUND EMERGENCY MEDICAL TRANSPORT QUALITY ASSURANCE FEE PROGRAM)**

## END OF CONSENT CALENDAR

### HEARINGS

#### PUBLIC HEARINGS

7) **PUBLIC HEARING ON ISSUANCE OF TAX EXEMPT BONDS FOR THE CAMERON PARK APARTMENTS AND RESOLUTION APPROVING THE ISSUANCE OF BONDS**

It is recommended that the City Council:

1. Conduct a Tax Equity and Fiscal Responsibility Act Hearing in consideration of the issuance of tax exempt bond financing by the California Statewide Communities Development Authority for the benefit of Cameron Park Community Partners, LP, to provide financing for the acquisition, rehabilitation, improvement, and equipping of a 158-unit multifamily rental housing project generally known as Cameron Park Apartments; and

2. Adopt the following resolution:

**RESOLUTION NO. 2019-34 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA APPROVING THE ISSUANCE BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY OF MULTIFAMILY HOUSING REVENUE BONDS FOR CAMERON PARK APARTMENTS**

8) **FISCAL YEAR (FY) 2019-2020 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ACTION PLAN**

It is recommended that the City Council approve the proposed Fiscal Year (FY) 2019-2020 CDBG Action Plan.

9) **WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 4 PUBLIC HEARING**

It is recommended that the City Council adopt the following resolution, which provides for the assessment rates to be maintained at their current levels:

**RESOLUTION NO. 2019-38 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING THE ENGINEER'S REPORT AND CONFIRMING A DIAGRAM AND ASSESSMENT FOR FISCAL YEAR 2019-20 FOR LANDSCAPE MAINTENANCE DISTRICT NO. 4**

10) **WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 6 PUBLIC HEARING**

It is recommended that the City Council adopt the following resolution, which provides for the assessment rate to be maintained at its current level:

**RESOLUTION NO. 2019-39 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING THE ENGINEER'S REPORT AND CONFIRMING A DIAGRAM AND ASSESSMENT FOR FISCAL YEAR 2019-20 FOR LANDSCAPE MAINTENANCE DISTRICT NO. 6**

11) **WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 7 PUBLIC HEARING**



It is recommended that the City Council adopt the following resolution, which provides for the assessment rates in Landscape Maintenance District No. 7 to be maintained at their current levels:

**RESOLUTION NO. 2019-40 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING THE ENGINEER'S REPORT AND CONFIRMING A DIAGRAM AND ASSESSMENT FOR FISCAL YEAR 2019-20 FOR LANDSCAPE MAINTENANCE DISTRICT NO. 7**

**DEPARTMENTAL REGULAR MATTERS**

**FINANCE DEPARTMENT**

**12) PRELIMINARY FISCAL YEAR 2019-20 BUDGET**

It is recommended that the City Council receive and file the Fiscal Year 2019-20 Operating and Capital Improvement Program Budget, direct that it be publicly disseminated, and schedule for consideration at the June 18<sup>th</sup> meeting.

**MAYOR/COUNCILMEMBERS REPORTS**

AB 1234 Conference and Meeting Report (verbal, if any)

*(In accordance with AB 1234, Councilmembers shall make a brief report or file a written report on any meeting/event/conference attended at City expense.)*

**CITY COUNCIL REQUESTS FOR REPORTS, STUDIES OR INVESTIGATION**

*(Per City of West Covina Standing Rules 4.f - Requests for reports, studies, or investigations that are not readily available must be placed on the City Council/Successor Agency agenda as items of business and must be approved by a majority of the City Council/Successor Agency Board.)*

**CITY COUNCIL COMMENTS**

**ADJOURNMENT**

**Next Tentative City Council Meeting**

Regular Meeting

June 18, 2019

7:00 PM

**RULES OF DECORUM**

*The following are excerpts from the West Covina Municipal Code:*

Sec. 2-48. Manner of addressing council; time limit; persons addressing may be sworn.

- a. Each person addressing the council shall step up to the rostrum, shall give his or her name and city of residence in an audible tone of voice for the record and unless further time is granted by the council, shall limit his or her address to five (5) minutes.
- b. The city council may establish a limit on the duration of oral communications.
- c. All remarks shall be addressed to the council as a body and not to any member thereof. No person, other than the council and the person having the floor, shall be permitted to enter into any discussion, either directly or through a member of the council, without the permission of the presiding officer. No question shall be asked of a councilmember except through the presiding officer.
- d. The presiding officer may require any person to be sworn as a witness before addressing the council on any subject. Any such person who, having taken an oath that he or she will testify truthfully, willfully and contrary to such oath states as true any material matter which he knows to be false may be held to answer criminally and subject to the penalty prescribed for perjury by the provisions of the Penal Code of the state.

Sec. 2-50. Decorum--Required.

- a. While the council is in session, the members shall preserve order and decorum, and a member shall neither, by conversation or otherwise, delay or disrupt the proceedings or the peace of the council nor interrupt any member while speaking or refuse to obey the

orders of the council or its presiding officer, except as otherwise herein provided.

- b. Members of the public shall not willfully disrupt the meeting or act in a manner that actually impairs the orderly conduct of the meeting. For the purposes of this code, "willfully disrupt" includes, but is not limited to, continuing to do any of the following after being warned by the Mayor that continuing to do so will be a violation of the law:
  - a. Addressing the Mayor and City Council without first being recognized.
  - b. Persisting in addressing a subject or subjects, other than that before the Mayor and City Council.
  - c. Repetitiously addressing the same subject.
  - d. Failing to relinquish the podium when directed to do so.
  - e. From the audience, interrupting or attempting to interrupt, a speaker, the Mayor, a council member, or a staff member or shouting or attempting to shout over a speaker, the Mayor, a council member or a staff member.
  - f. As a speaker, interrupting or attempting to interrupt the Mayor, a council member, or a staff member, or shouting over or attempting to shout over the Mayor, a council member, or a staff member. Nothing in this section or any rules of the council shall be construed to prohibit public criticism of the policies, procedures, programs, or services of the City or of the acts or omissions of the City Council. It shall be unlawful to violate the provisions of this Section.

If any subsection, sentence, clause, or phrase or word of this Section 2-50 is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Section. The City Council hereby declares that it would have passed this section and each subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more subsections, sentences, clauses, phrases or words had been declared invalid or unconstitutional.

**Sec. 2-52. Persons authorized to be within council area.**

No person, except city officials, their representatives and members of the news media shall be permitted within the rail in front of the council chamber without the express consent of the council.

***The following are excerpts from the Penal Code***

148(a) (1) Every Person who willfully resists, delays, or obstructs any public officer, peace officer, or an emergency medical technician, as defined in Division 2.5 (commencing with Section 1797) of the Health and Safety code, in the discharge or attempt to discharge any duty of his or her office or employment, when no other punishment is prescribed, shall be punished by a fine not exceeding one thousand dollars (\$1,000), or by imprisonment in a county jail not to exceed one year, or by both that fine and imprisonment.

403 Every person who, without authority of law, willfully disturbs or breaks up any assembly or meeting that is not unlawful in its character, other than an assembly or meeting referred to in Section 303 of the Penal Code or Section 18340 of the Elections Code, is guilty of a misdemeanor.



## AGENDA STAFF REPORT

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City of West Covina | Office of the City Manager

**DATE:** June 4, 2019

**TO:** Mayor and City Council

**FROM:** David Carmany  
Interim City Manager

**SUBJECT: MAY 8, 2019, CITY COUNCIL/SUCCESSOR AGENCY SPECIAL CLOSED SESSION MEETING MINUTES**  
**MAY 8, 2019, CITY COUNCIL/SUCCESSOR AGENCY CLOSED SESSION MEETING MINUTES**  
**MAY 13, 2019, JOINT CITY COUNCIL/PLANNING COMMISSION SPECIAL MEETING MINUTES**  
**MAY 21, 2019, CITY COUNCIL/SUCCESSOR AGENCY CLOSED SESSION MEETING MINUTES**  
**MAY 21, 2019, CITY COUNCIL/SUCCESSOR AGENCY REGULAR MEETING MINUTES**

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### RECOMMENDATION:

It is recommended that the City Council receive and file the Special Closed Session Meeting Minutes of May 8, 2019, the Closed Session Meeting Minutes of May 8, 2019, the Joint Special Meeting Minutes of May 13, 2019, the Closed Session Meeting Minutes of May 21, 2019, and the Regular Meeting Minutes of May 21, 2019.

### DISCUSSION:

**Prepared by:** Carrie Gallagher, CMC

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### Attachments

Attachment No. 1 - 05-08-2019 Special Closed Meeting Minutes Draft  
Attachment No. 2 - 05-08-2019 Special Meeting Minutes Draft  
Attachment No. 3 - 05-13-2019 Joint Special Meeting Minutes Draft  
Attachment No. 4 - 05-21-2019 Closed Session Meeting Minutes Draft  
Attachment No. 5 - 05-21-2019 Regular Session Meeting Minutes Draft

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## **CITY OF WEST COVINA**

### **CITY COUNCIL/SUCCESSOR AGENCY**

MAY 8, 2019, 7:00 PM

SPECIAL MEETING - CLOSED SESSION

CITY MANAGER'S CONFERENCE ROOM

1444 W. GARVEY AVENUE SOUTH

WEST COVINA, CALIFORNIA 91790

### **MINUTES**

#### **CALL TO ORDER**

A Special Closed Session Meeting was called to order by Mayor Johnson on Tuesday, May 8, 2019 at 7:00 p.m., in the City Manager's Conference Room, 1444 West Garvey Avenue South, West Covina, California.

#### **ROLL CALL**

Council Members

Present: Councilmembers Dario Castellanos, Letty Lopez-Viado, Jessica C. Shewmaker, Mayor Pro Tem Tony Wu, Mayor Lloyd Johnson

Council Members

Absent: None

City Staff

Present: David Carmany Interim City Manager, Nikole Bresciani Assistant City Manager/Public Services Director/Acting Personnel Officer and Scott E. Porter City Attorney

#### **PUBLIC COMMENTS ON ITEMS ON THE AGENDA**

None

**CLOSED SESSION**

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION  
Pursuant to Government Code § 54956.9(d)(2)

Number of Cases: Two (2)

PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE  
(Authorized under Government Code § 54957)  
Position: Fire Chief

PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE  
(Authorized under Government Code § 54957)  
Position: Police Chief

**REPORTING OUT**

The City Council voted 5-0 to uphold the Interim City Manager's determination to terminate the employment relationship with Mr. Whithorn.

**ADJOURNMENT**

The Special Closed Session Meeting was adjourned at 7:45 p.m., by Mayor Johnson. The next regularly scheduled Closed Session City Council Meeting will be held on May 21, 2019 at 6:00 p.m., in the City Manager's Conference Room, 1444 West Garvey Avenue South, West Covina, California.

Submitted by:

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Carrie Gallagher, CMC  
Assistant City Clerk

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Lloyd Johnson  
Mayor



## **CITY OF WEST COVINA**

### **CITY COUNCIL/SUCCESSOR AGENCY**

**MAY 8, 2019, 8:00 PM  
SPECIAL MEETING**

**CITY HALL COUNCIL CHAMBERS  
1444 W. GARVEY AVENUE SOUTH  
WEST COVINA, CALIFORNIA 91790**

### **MINUTES**

#### **CALL TO ORDER**

A Special Meeting was called to order by Mayor Johnson on Tuesday, May 8, 2019 at 8:00 p.m., in the Council Chambers, 1444 West Garvey Avenue South, West Covina, California.

#### **ROLL CALL**

##### **Council Members**

**Present:** Councilmembers Dario Castellanos, Letty Lopez-Viado, Jessica C. Shewmaker, Mayor Pro Tem Tony Wu, Mayor Lloyd Johnson

##### **Council Members**

**Absent:** None

##### **City Staff**

**Present:** David Carmany Interim City Manager, Nikole Bresciani Assistant City Manager/Public Services Director/Acting Personnel Officer, Scott E. Porter City Attorney, Carrie Gallagher Assistant City Clerk; other city staff responded to questions as indicated in the minutes.

#### **PLEDGE OF ALLEGIANCE**

Mayor Lloyd Johnson led the Pledge of Allegiance.

## **CLOSED SESSION REPORTING OUT**

### **CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Pursuant to Government Code § 54956.9(d)(2)**

Number of Cases: Two (2)

**PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE  
(Authorized under Government Code § 54957)  
Position: Fire Chief**

**PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE  
(Authorized under Government Code § 54957)  
Position: Police Chief**

## **REPORTING OUT**

City Attorney Scott E. Porter reported from Closed Session Meeting a City Council vote of 5-0 to uphold the Interim City Manager's determination to terminate the employment relationship with Mr. Whithorn after providing him the option to address the City Council.

## **REORDER OF THE AGENDA**

Mayor Johnson reorganized the agenda by consensus of the City Council without objection to allow Marc Taylor to address the City Council prior to public comment.

## **PUBLIC COMMENTS ON ITEMS ON THE AGENDA**

### **Appellant:**

Marc Taylor

### **Speakers:**

Travis Tibbits (spoke in support)  
Elsie Messame  
Phil Kaufman  
James Toma  
Brian Jobst  
Ray Edmondson  
Minerva Avila  
Bill Robinson  
Fredricks Sykes  
Laura Vieyra  
Pete Gallardo  
Deanne Castonova

Linda Nguyen  
David Williams  
Norman Owashi  
Ben Wong  
Paul Ahkmari

--- End of Public Comment---

- 1) **ADMINISTRATIVE APPEAL/NON-EVIDENTIARY HEARING PURSUANT TO GOVERNMENT CODE § 3304(c) TO ALLOW MARC TAYLOR, PER HIS REQUEST, TO ADDRESS THE CITY COUNCIL REGARDING THE INTERIM CITY MANAGER'S DECISION TO TERMINATE MARC TAYLOR'S EMPLOYMENT AS POLICE CHIEF OF THE CITY**

**ACTION: MOTION BY MAYOR PRO TEM WU, SECONDED BY COUNCILMAN CASTELLANOS, CARRIED 4-1(JOHNSON NO) to:** uphold the Interim City Manager's decision to terminate Police Chief Marc Taylor.

### **ADJOURNMENT**

The Special Meeting was adjourned at 9:25 p.m., by Mayor Johnson. The next regularly scheduled Regular City Council Meeting will be held on May 21, 2019 at 7:00 p.m., in the Council Chamber, 1444 West Garvey Avenue South, West Covina, California.

Submitted by:

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Carrie Gallagher, CMC  
Assistant City Clerk

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Lloyd Johnson  
Mayor





**CITY OF WEST COVINA  
JOINT SPECIAL MEETING OF  
CITY COUNCIL AND PLANNING COMMISSION**

**MONDAY, MAY 13, 2019, 6:00 PM  
SPECIAL MEETING - COMMUNITY INFORMATION MEETING ON THE  
ENVIRONMENTAL IMPACT REPORT (EIR) FOR THE QUEEN OF THE  
VALLEY HOSPITAL SPECIFIC PLAN PROJECT**

**QUEEN OF THE VALLEY HOSPITAL  
OAKWOOD A & B ROOMS  
1115 SOUTH SUNSET AVENUE  
WEST COVINA, CALIFORNIA 91790**

**MINUTES**

**CALL TO ORDER**

A Special Meeting was called to order by Community Development Director Jeff Anderson, on Monday, May 13, 2019 at 6:15 p.m. at the Queen of the Valley Hospital located at 1115 South Sunset Avenue, West Covina, California.

**ROLL CALL**

**Council Members**

**Present:** Mayor Lloyd Johnson

**Council Members**

**Absent:** Council Members Dario Castellanos, Letty Lopez-Viado, Jessica Shewmaker,  
Mayor Pro-Tem Wu

**Commission Members**

**Present:** Chair Herb Redholtz, Vice-Chair Sheena Heng, Commissioner Glenn Kennedy

**City Staff**

**Present:** Community Development Director Jeff Anderson, Planning Manager Jo-Anne Burns

### **Welcome & Introduction**

The meeting began at 6:15 p.m. at the Queen of the Valley Hospital Oakwood A and B rooms and was called to order by the Community Development Director Jeff Anderson.

### **Purpose of Meeting**

To discuss the Environmental Impact Report for the Queen of the Valley Hospital Specific Plan project and hear initial public comments on the report and plan.

### **Specific Plan**

John Moreland, consultant with KTYG, provided an overview of the meeting and discussed the Specific Plan and its purpose, defined the site that would be affected by the Specific Plan and discussed the process of the Specific Plan and EIR.

### **Draft EIR**

Kent Norton, consultant for Psomas, discussed the California Environmental Quality Act (CEQA), the CEQA requirements for evaluating projects, the EIR preparation and process. He also discussed that the draft EIR was a programmatic EIR document. He stated that the draft EIR had been released and the comment period was from April 11, 2019 to May 28, 2019.

### **Scope of EIR Analysis**

Kent Norton, consultant for Psomas, discussed the EIR preparation and process.

### **Public Comments**

A question and answer period was opened at approximately 6:53 p.m. and public input was received regarding the Zone 3 standards in the Specific Plan. Comments were addressed and answered by KTYG Consultant John Moreland and Psomas Consultant Kent Norton

--- End of Public Comment ---

The Public Comment period began on April 11<sup>th</sup>, 2019 and will close on May 28<sup>th</sup>, 2019.

### **Next Steps**

Following the closure of the Public Comment period on May 28<sup>th</sup>, 2019, a response to the public comments will be prepared. There will then be hearings before the Planning Commission and City Council to review the Specific Plan and environmental documents.

### **ADJOURNMENT**

The meeting was adjourned at 6:55 p.m. by Community Development Director Jeff Anderson. The next Regular City Council Meeting is scheduled for Tuesday, June 4<sup>th</sup>, 2019 at 7:00 p.m., in the Council Chamber, 1444 West Garvey Avenue South, West Covina, California.

Submitted by:

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Carrie Gallagher, CMC  
Assistant City Clerk

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Lloyd Johnson  
Mayor

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## **CITY OF WEST COVINA**

### **CITY COUNCIL/SUCCESSOR AGENCY**

MAY 21, 2019, 6:00 PM  
REGULAR MEETING - CLOSED SESSION  
AMENDED AGENDA  
(ANTICIPATED LITIGATION- UPDATED GOV. CODE)

CITY MANAGER'S CONFERENCE ROOM  
1444 W. GARVEY AVENUE SOUTH  
WEST COVINA, CALIFORNIA 91790

### **MINUTES**

#### **CALL TO ORDER**

A Regular Meeting was called to order by Mayor Johnson on Tuesday, May 21, 2019 at 6:05 p.m., in the City Manager's Conference Room, 1444 West Garvey Avenue South, West Covina, California.

#### **ROLL CALL**

##### **Council Members**

Present: Councilmembers Dario Castellanos, Letty Lopez-Viado, Jessica C. Shewmaker, Mayor Pro Tem Tony Wu (arrived at 6:15), Mayor Lloyd Johnson

##### **Council Members**

Absent: None

##### **City Staff**

Present: David Carmany Interim City Manager, Scott E. Porter City Attorney, and Kathya M. Firlik Assistant City Attorney

#### **PUBLIC COMMENTS ON ITEMS ON THE AGENDA**

None

## **CLOSED SESSION**

### CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Government Code § 54956.9(d)(1)

West Covina Maintenance and Crafts Employees Association v. City of West Covina (PERB Case No. LA-CE-1356-M)

### CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Initiation of litigation pursuant to Government Code § 54956.9(d)(4)

Number of Cases: One (1)

### CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code § 54956.8

Property: APN Nos. 8474-011-942 and 8474-011-943 (Lakes Parking Facilities)

Agency Negotiator: Carmany, Bresciani, Anderson, Morales, Porter

Negotiating Parties: Waterford Properties

Under Negotiation: Price and Terms of Payment

### CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code § 54957.6

City Negotiators: Carmany, Bresciani, Porter

#### Employee Organizations

- Confidential Employees - General Employees
- Maintenance & Crafts Employees - Mid-Management Employees
- Non-Sworn - W.C. Police Management Association
- W.C. Police Officers' Association
- W.C. Firefighters' Management Assoc.
- W.C. Firefighters' Association, I.A.F.F., Local 3226

#### Unrepresented Employee Group

- Department Heads

## **REPORTING OUT**

City Attorney Scott E. Porter reported a City Council vote of 4-0 (WU ABSENT). The City Council authorized the City Attorney's office, in conjunction with other California Cities, to file a friend of the court brief in support of the City of Boise's petition for writ of certiorari to encourage the United States Supreme Court to hear the case and issue a revised decision

## **ADJOURNMENT**

The Closed Session Meeting was adjourned at 6:40 p.m., by Mayor Johnson. The next regularly scheduled Closed Session City Council Meeting will be held on June 4, 2019 at 6:00 p.m., in the City Manager's Conference Room, 1444 West Garvey Avenue South, West Covina, California.

05/21/19 CC Closed Session Meeting Minutes

Submitted by:

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Carrie Gallagher, CMC  
Assistant City Clerk

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Lloyd Johnson  
Mayor

DRAFT



## **CITY OF WEST COVINA**

### **CITY COUNCIL/SUCCESSOR AGENCY**

**MAY 21, 2019, 7:00 PM  
REGULAR MEETING**

**CITY HALL COUNCIL CHAMBERS  
1444 W. GARVEY AVENUE SOUTH  
WEST COVINA, CALIFORNIA 91790**

### **MINUTES**

#### **CALL TO ORDER**

A Regular Meeting was called to order by Mayor Johnson on Tuesday, May 21, 2019 at 7:14 p.m., in the Council Chambers, 1444 West Garvey Avenue South, West Covina, California.

#### **ROLL CALL**

##### **Council Members**

Present: Councilmembers Dario Castellanos, Letty Lopez-Viado, Jessica C. Shewmaker, Mayor Pro Tem Tony Wu, Mayor Lloyd Johnson

##### **Council Members**

Absent: None

##### **City Staff**

Present: David Carmany Interim City Manager, Scott E. Porter City Attorney, Carrie Gallagher Assistant City Clerk; other city staff presented reports and responded to questions as indicated in the minutes.

#### **PLEDGE OF ALLEGIANCE**

Adam Valenita led the Pledge of Allegiance.

## **REPORTING OUT FROM CLOSED SESSION**

### CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Government Code § 54956.9(d)(1)

West Covina Maintenance and Crafts Employees Association v. City of West Covina (PERB Case No. LA-CE-1356-M)

### CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Initiation of litigation pursuant to Government Code § 54956.9(d)(4)

Number of Cases: One (1)

### CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code § 54956.8

Property: APN Nos. 8474-011-942 and 8474-011-943 (Lakes Parking Facilities)

Agency Negotiator: Carmany, Bresciani, Anderson, Morales, Porter

Negotiating Parties: Waterford Properties

Under Negotiation: Price and Terms of Payment

### CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code § 54957.6

City Negotiators: Carmany, Bresciani, Porter

#### Employee Organizations

- Confidential Employees - General Employees
- Maintenance & Crafts Employees - Mid-Management Employees
- Non-Sworn - W.C. Police Management Association
- W.C. Police Officers' Association
- W.C. Firefighters' Management Assoc.
- W.C. Firefighters' Association, I.A.F.F., Local 3226
- Unrepresented Employee Group
- Department Heads

## **REPORTING OUT**

City Attorney Scott E. Porter reported a City Council vote of 4-0 (WU ABSENT, the City Council authorized the City Attorney's office, in conjunction with other California Cities, to file a friend of the court brief in support of the City of Boise's petition for writ of certiorari to encourage the United States Supreme Court to hear the case and issue a revised decision.

## **PRESENTATIONS**

Resolution of Commendation for former Commissioner Ashley Rozzati

## **ORAL COMMUNICATIONS - Five (3) minutes per speaker**

Speaker:



Jerry Fortuna  
Marie Thomas  
Linda Nguyen  
Heidi Freeman  
Phil Kaufman  
Francoise Coulton  
Brian Jobst  
Carolyn Arndt  
Therese Garcia  
Ray Edmondson  
Tracy Fu  
Fredrick Sykes  
Jerri Potras  
Suzanne Pickering  
Minerva Avila  
Robert Andalon  
David Bond  
James Toma  
Mansfield Collins  
Donald Quick  
Gregg Fritchle  
John Shewmaker  
Angie Gillingham

----End of Oral Communications---

City Attorney Scott E. Porter provided a summary of the perceived next steps regarding the developmental considerations for the BKK Landfill with Singpoli Group.

**THE CITY COUNCIL RECESSED AT 8:20 P.M. AND RECONVENED AT 8:25 P.M. WITH ALL STAFF PRESENT.**

**CONSENT CALENDAR**

**ACTION: MOTION BY MAYOR PRO TEM WU, SECONDED BY COUNCILWOMAN LOPEZ-VIADO, CARRIED 5-0 to:** Approve Consent Calendar Items 1 thru 9.

**ACTION: MOTION BY MAYOR JOHNSON, SECOND BY MAYOR PRO TEM WU, CARRIED 5-0 to:** Approve Consent Calendar Item 10.  
(Item 10 was pulled by Mayor Johnson for separate discussion)

**APPROVAL OF MINUTES**

- 1) **APRIL 30, 2019, CITY COUNCIL/SUCCESSOR AGENCY SPECIAL CLOSED SESSION MEETING MINUTES**

**APRIL 30, 2019, CITY COUNCIL/SUCCESSOR AGENCY SPECIAL MEETING MINUTES**

**MAY 7, 2019, CITY COUNCIL/SUCCESSOR AGENCY CLOSED SESSION MEETING MINUTES**

**MAY 7, 2019, CITY COUNCIL/SUCCESSOR AGENCY SPECIAL CLOSED SESSION MEETING MINUTES**

**MAY 7, 2019, CITY COUNCIL/SUCCESSOR AGENCY REGULAR MEETING MINUTES**

**CARRIED 5-0 to:** receive and file the Special Closed Meeting Minutes of April 30, 2019, the Special Meeting Minutes of April 30, 2019, the Closed Session Meeting Minutes of May 7, 2019, the Special Closed Meeting Minutes of May 7, 2019 and the Regular Meeting Minutes of May 7, 2019.

**CLAIMS AGAINST THE CITY**

**2) GOVERNMENT TORT CLAIM DENIALS**

**CARRIED 5-0 to:** deny the following Government Tort Claim and the claimant be notified:

- Isaac Nava vs. The City of West Covina

**INVESTMENT REPORTS**

**3) INVESTMENT REPORT FOR THE MONTH ENDED MARCH 31, 2019**

**CARRIED 5-0 to:** receive and file the Investment Report for the month ended March 31, 2019.

**CITY MANAGER'S OFFICE**

**4) APPOINTMENT OF HUMAN RESOURCES COMMISSIONER SUE AGUINO**

**CARRIED 5-0 to:** receive and file this informational report.

**5) APPOINTMENT OF LLOYD JOHNSON AS REPRESENTATIVE TO EXTERNAL ADVISORY BOARD - SAN GABRIEL VALLEY MOSQUITO & VECTOR CONTROL DISTRICT**

**CARRIED 5-0 to:** confirm the Mayor's appointment to the San Gabriel Valley Mosquito & Vector Control District.

**ORDINANCE FOR ADOPTION- Procedural Waiver.**

- 6) **ZONE CHANGE NO. 19-01 - CHANGE THE ZONING DESIGNATION OF 1904 PACIFIC LANE FROM "SINGLE-FAMILY RESIDENTIAL" (R-1) TO "MULTIPLE-FAMILY RESIDENTIAL" (MF-20)**

**CARRIED 5-0 to:** adopt the following ordinance

**ORDINANCE NO. 2455 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING ZONE CHANGE NO. 19-01 TO CHANGE THE ZONING FOR THE PROPERTY AT 1904 W. PACIFIC LANE FROM "SINGLE FAMILY RESIDENTIAL" (R-1) TO "MULTIPLE FAMILY 20" (MF-20)**

#### **COMMUNITY DEVELOPMENT**

- 7) **CONSIDERATION OF LOT LINE ADJUSTMENT NO. 195 200 AND 220 S. VINCENT AVENUE**

**CARRIED 5-0 to:** adopt the following resolution:

**RESOLUTION NO. 2019-32 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING LOT LINE ADJUSTMENT NO. 195 LOCATED AT 200 AND 220 S. VINCENT AVENUE AND DIRECTING THE RECORDATION THEREOF**

- 8) **TRAFFIC COMMITTEE MINUTES FROM APRIL 9, 2019**

**CARRIED 5-0 to:** receive and file the attached minutes of the Traffic Committee Meeting held on April 9, 2019.

#### **FINANCE DEPARTMENT**

- 9) **CONSIDERATION OF PROPOSITION A EXCHANGE - FOOTHILL TRANSIT**

**CARRIED 5-0 to:** approve the Proposition A Local Return Fund Exchange with Foothill Transit and authorize the Interim City Manager to execute the Assignment Agreement.

#### **PUBLIC SERVICES**

- 10) **CONSIDERATION OF AWARD OF BID TO ALLISON MECHANICAL INCORPORATED FOR MAINTENANCE OF HEATING, VENTILATION AND AIR CONDITIONING EQUIPMENT**

(Item 10 was pulled by Mayor Johnson for separate discussion)

**CARRIED 5-0 to:** authorize the City Manager to negotiate and execute a three-year contract with two one-year extensions with Allison Mechanical Incorporated in the

annual amount of \$128,604 (\$643,020 five-year contract) for heating, ventilation, and air conditioning maintenance services at 22 City facilities.

### **END OF CONSENT CALENDAR**

### **HEARINGS**

#### **PUBLIC HEARINGS**

#### **11) ZONING ORDINANCE TEXT AMENDMENT NO. 19-01 - SMALL RECYCLING FACILITIES**

Mayor Johnson announced the Public Hearing matter, Assistant City Clerk Gallagher verified that proper legal notice was given, and Mayor Johnson opened the Public Hearing. Community Development Director Jeff Anderson presented the staff report with the use of a PowerPoint presentation. Staff responded to questions from Council.

#### **Public Comments in Favor**

Paige Gosney – Appellant  
Kathy Lucker (email received)

#### **In Opposition**

None

---End of Public Comment---

**CARRIED 5-0 to:** read the title of the ordinance and waive further reading, and introduce the following ordinance:

**ORDINANCE NO. 2460 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA TO AMEND SUBSECTION (1) OF SECTION 26-685.93 OF CHAPTER 26, ARTICLE XII, DIVISION 14 OF THE WEST COVINA MUNICIPAL CODE RELATING TO SMALL RECYCLING FACILITIES**

#### **MAYOR/COUNCILMEMBERS REPORTS**

AB 1234 Conference and Meeting Report (verbal, if any)

Councilman Castellanos reported having attended and ICSC Conference.

#### **CITY COUNCIL REQUESTS FOR REPORTS, STUDIES OR INVESTIGATION**

#### **12) REQUEST FROM COUNCILWOMAN LETTY LOPEZ-VIADO REQUESTING THE CITY COUNCIL'S CONSIDERATION TO DIRECT STAFF TO SURVEY OTHER CITIES AND LOOK AT OPTIONS TO INSTALL CAMERAS IN PARKING LOTS AT PARKS**

Councilwoman Lopez-Viado requested to survey other cities and look at options to install cameras at the parking lots in the parks. Lightening such as the sensory lights that follow you. Councilwoman also requested a detailed report on the measure (A) Funding and park Bond Measure status.

Councilmember Shewmaker also commented on adding cameras and lightening.

Councilman Castellanos requested more detail on planning status reports as well as an update on the Chic Fil-A project and if there is anything the city can do to move a little bit faster. Councilman Castellanos also requested more details on any ongoing projects just to see if anything is stalling them or how we can accelerate them.

Councilmember Shewmaker requested a report what type of permits are being pulled, how long does it take for permits to be processed, and how long it's taking for projects to be completed. So how long it takes for city approval every step of the way.

### **CITY COUNCIL COMMENTS**

None.

### **ADJOURNMENT**

The Regular Meeting was adjourned at 8:45 p.m., by Mayor Johnson. The next regularly scheduled Regular City Council Meeting will be held on June 4, 2019 at 7:00 p.m., in the Council Chamber, 1444 West Garvey Avenue South, West Covina, California.

Submitted by:

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Carrie Gallagher, CMC  
Assistant City Clerk

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Lloyd Johnson  
Mayor



## AGENDA STAFF REPORT

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City of West Covina | Office of the City Manager

**DATE:** June 4, 2019

**TO:** Mayor and City Council

**FROM:** David Carmany  
Interim City Manager

**SUBJECT:** **GOVERNMENT TORT CLAIM DENIALS**

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### RECOMMENDATION:

It is recommended that the City Council deny the following Government Tort Claims and the claimants be notified:

- Marisol Reyes vs. The City of West Covina
- Jose Ramirez vs. The City of West Covina
- Elizabeth Vizcaino vs. The City of West Covina

### DISCUSSION:

As you are aware, since all claims should be considered potential lawsuits, it is requested that all Councilmembers refrain from making specific public comments so as not to prejudice any claim. Specific questions should be referred to the City Attorney.

**Prepared by:** Nick Ledesma, Administrative Aide

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### Fiscal Impact

#### FISCAL IMPACT:

None.

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## AGENDA STAFF REPORT

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City of West Covina | Office of the City Manager

**DATE:** June 4, 2019

**TO:** Mayor and City Council

**FROM:** David Carmany  
Interim City Manager

**SUBJECT: ZONING ORDINANCE TEXT AMENDMENT NO. 19-01 - SMALL RECYCLING FACILITIES**

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### RECOMMENDATION:

It is recommended that the City Council adopt the following ordinance:

**ORDINANCE NO. 2460 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA TO AMEND SUBSECTION (1) OF SECTION 26-685.93 OF CHAPTER 26, ARTICLE XII, DIVISION 14 OF THE WEST COVINA MUNICIPAL CODE RELATING TO SMALL RECYCLING FACILITIES**

### DISCUSSION:

The ordinance was first introduced at the May 21, 2019 City Council Meeting. The purpose of the proposed Ordinance No. 2460 is to amend Subsection (1) of Section 26-685.93 of Chapter 26, Article XII, Division 14 of the West Covina Municipal Code, defining the requirements applied to all “small collection facilities.”

The ordinance will take effect 30 days after its adoption on June 4, 2019.

**Prepared by:** Carrie Gallagher, Assistant City Clerk

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### Attachments

Attachment No. 1- Ordinance No. 2460

Attachment No. 2 -May 21, 2019 Staff Report

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## **ORDINANCE NO. 2460**

### **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA TO AMEND SUBSECTION (1) OF SECTION 26-685.93 OF CHAPTER 26, ARTICLE XII, DIVISION 14 OF THE WEST COVINA MUNICIPAL CODE RELATING TO SMALL RECYCLING FACILITIES**

**WHEREAS**, the City's provisions regarding small recycling facilities were last updated in 2011; and

**WHEREAS**, the California Beverage Container and Litter Reduction Act expressly urges "cities and counties, when exercising their zoning authority, to act favorably, on the siting of multimaterial recycling centers, reverse vending machines, mobile recycling units, or other types of recycling opportunities, as necessary for consumer convenience, and the overall success of litter abatement and beverage container recycling in the state." (Pub. Resources Code, § 14500, et seq.) ; and

**WHEREAS**, on the 12<sup>th</sup> day of February 2019, the Planning Commission initiated a code amendment to Section 26-685.93 (1) of the West Covina Municipal Code; and

**WHEREAS**, the Planning Commission, did on the 12<sup>th</sup> day of March 2019, conduct a study session to consider the initiated zone change; and

**WHEREAS**, the Planning Commission, upon giving the required notice, did on the 9<sup>th</sup> day of April 2019, conduct a duly advertised public hearing as prescribed by law to make recommendations to the City Council to approve Code Amendment No. 19-01; and

**WHEREAS**, the City Council, upon giving the required notice, did on the 21<sup>st</sup> day of May 2019, conduct a duly advertised public hearing as prescribed by law on the proposed ordinance; and

**WHEREAS**, based on review of the State CEQA Guidelines, the City Council finds and determines that the proposed ordinance is statutorily exempt from the California Environmental Quality Act (CEQA) under Section 15061(b)(3) of the CEQA Guidelines, which provides that CEQA only applies to projects that have the potential for causing a significant effect on the environment; and

**WHEREAS**, the City Council has duly considered all information presented to it, including written staff reports and any testimony provided at the public hearing, with all testimony received being made a part of the public record.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:**



**SECTION 1.** Subsection (1) of Section 26-685.93 of Chapter 26, Article XII, Division 14 of the West Covina Municipal Code is hereby amended to read as follows:

- (1) *Small collection facility.* Unless otherwise noted, the following requirements apply to all small collection facilities:
  - a. The center shall be established in conjunction with an existing or planned commercial use, industrial use, or service facility (herein referred to as the "host use") which is in compliance with the zoning, building, and fire codes of the City of West Covina.
  - b. The center shall be no larger than five hundred (500) square feet, and the placement of a small collection facility shall not create a parking deficit.
  - c. The center shall be set back at least fifty (50) feet from a right-of-way line, unless deemed adequately screened by the planning director or planning commission and shall not obstruct pedestrian or vehicular circulation.
  - d. No power-driven processing equipment except for reverse vending machines shall be employed.
  - e. Containers shall be constructed and maintained with durable waterproof, leakproof and rustproof material, covered and locked when the center is not attended, secured from unauthorized entry or removal of material, and shall be of a capacity sufficient to accommodate the materials collected and the collection schedule.
  - f. All recyclable material shall be stored in containers or in the mobile unit vehicle, and no materials shall be left outside of containers when attendant is not present.
  - g. The facility shall be maintained free of vermin, litter and any other undesirable materials, and be swept at the end of each collection day and cleaned weekly.
  - h. Noise levels shall not exceed sixty (60) dBA as measured at the property line of a residentially zoned or occupied site; otherwise, noise levels shall not exceed seventy (70) dBA.
  - i. Attended facilities shall have a minimum distance of two hundred and fifty (250) feet of a site zoned or occupied for residential use. This minimum distance requirement does not need to be met if the facility is at least one hundred fifty (150) feet from a site zoned or occupied for residential use and is separated from that site by an arterial street.
  - j. Attended facilities shall operate only during the hours between 8:00 a.m. and 7:00 p.m. on weekdays and 10:00 a.m. and 6:00 p.m. on weekends and holidays.

- k. Containers shall be clearly marked to identify the type of material which may be deposited; the facility shall be clearly marked to identify the name and telephone number of the facility operator and the hours of operation, and display a notice stating that no material shall be left outside the containers.
- l. The facility shall not impair the landscaping required for any concurrent use.
- m. No additional parking spaces are required for customers of the recycling center when located in an established parking lot of the host use; one (1) space will be provided for the attendant, if needed.
- n. Small collection facility shall have an area clearly marked to prohibit other vehicular parking during hours when the mobile unit is scheduled to be present.
- o. Occupation of parking spaces by the facility and by the attendant may not reduce available parking spaces below the minimum number required for the primary host use unless all of the following conditions exist:
  - 1. The facility is located in a convenience zone or a potential convenience zone as designated by the California Department of Conservation.
  - 2. A parking study shows that existing parking capacity is not already fully utilized during the time the recycling facility is in operation.

A reduction in available parking spaces in an established parking facility may then be allowed as follows:

Number of Available Parking Spaces	Maximum Reduction
0—25	0
26—35	1
36—49	2
50—99	3
100—299	4
300 and up	5

- p. If the permit expired without renewal, the recycling facility shall be removed from the site on the day following permit expiration.
- q. A twelve-inch by twelve-inch sign which states the redemption value offered shall be posted daily.

- r. The small collection facility shall be screened when determined by the review authority to reduce visibility impacts from off-site and main traffic areas on-site.
- s. Small collection facilities shall only be located on a property with a market that is greater than thirty thousand (30,000) twenty-five thousand (25,000) square feet in floor area.

**SECTION 2.** That the City Clerk shall certify to the passage of this ordinance and shall cause the same to be published as required by law.

**SECTION 3.** This ordinance shall take effect and be in force thirty (30) days from and after the date of its passage.

**PASSED, APPROVED AND ADOPTED** on the 4<sup>th</sup> day of June, 2019.

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Lloyd Johnson  
Mayor

**APPROVED AS TO FORM**

**ATTEST**

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Scott Porter  
City Attorney

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Carrie Gallagher, CMC  
Assistant City Clerk

I, CARRIE GALLAGHER, ASSISTANT CITY CLERK of the City of West Covina, California, do hereby certify that the forgoing Ordinance was regularly introduced and placed upon its first reading at a regular meeting of the City Council on the 21<sup>st</sup> day of May, 2019. That thereafter said Ordinance was duly adopted and passed at a regular meeting of the City Council on the 4<sup>th</sup> day of June, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Carrie Gallagher, CMC  
Assistant City Clerk



## AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** May 21, 2019

**TO:** Mayor and City Council

**FROM:** David Carmany  
Interim City Manager

**SUBJECT: ZONING ORDINANCE TEXT AMENDMENT NO. 19-01 - SMALL  
RECYCLING FACILITIES**

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### RECOMMENDATION:

The Planning Commission recommends that the City Council read the title of the ordinance and waive further reading, and introduce the following ordinance:

**ORDINANCE NO. 2460 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY  
OF WEST COVINA, CALIFORNIA TO AMEND SUBSECTION (1) OF SECTION 26-  
685.93 OF CHAPTER 26, ARTICLE XII, DIVISION 14 OF THE WEST COVINA  
MUNICIPAL CODE RELATING TO SMALL RECYCLING FACILITIES**

### BACKGROUND:

Zoning Ordinance Text Amendment No. 19-01 was initiated by the Planning Commission on February 12, 2019, at the request received of RePlanet representative Paige H. Gosney. RePlanet has been operating a small recycling facility at 1025 E. Amar Road (Stater Brothers parking lot) for a number of years but did not maintain its business license. RePlanet attempted to correct the business license issue by submitting an Administrative Use Permit (AUP) application on September 22, 2018. Unfortunately, an AUP cannot be approved because the facility is located within 250 feet of residentially zoned properties and Stater Brothers is less than 30,000 square feet in size. Since the shopping center is surrounded by residential zoning and uses on all four sides, it is not possible to comply with the 250 feet minimum distance between the residences and small recycling facility. The facility is approximately 150 feet from the closest residential property.

### DISCUSSION:

The following changes are proposed for Section 26-685.93(1) (Small collection facility) of the West Covina Municipal Code:

- *Separation of Small Collection Facility and Residences.* The proposed code amendment would reduce the separation requirement of small recycling facilities to residential uses/zones

from 250 feet to 150 feet if there is an arterial street separating the recycling center and the adjacent residential uses/zones. Staff reviewed the lot configuration of all the other grocery stores in the City to determine the potential of operating a small recycling facility on their parking lots. Unlike the Stater Brothers Shopping Center on 1025 E. Amar Road, and Sunset Square Shopping Center, other shopping centers with grocery stores within the City are in commercial corridors with at least 2 – 3 sides abutting commercial zoned properties and uses. If desired, most of these grocery stores may be able to place a small recycling facility on their parking lots under the current Code. The intent of the 250 feet minimum distance from small recycling facilities to residential uses is to mitigate noise impacts that recycling facilities may have on neighboring residential properties. Decreasing the minimum distance requirement from 250 feet to 150 feet may be reasonable if there is an arterial street separating residential uses from the recycling facility, because noise from vehicles traveling on busy arterial streets would buffer any noise produced by the recycling facility.

- *Allowed Location for Small Collection Facilities.* The proposed code amendment would reduce the minimum market size threshold from 30,000 square feet to 25,000 square feet. The intent of the 30,000 square-foot minimum market size threshold was not to prevent large grocery stores like Stater Brothers from having a recycling facility on the parking lot, but to prevent small markets, convenience stores, and/or pharmacies from having small recycling facilities. The 30,000 square feet minimum market size threshold also prohibits the Vons on 777 S. Glendora Avenue, Island Pacific, and Seafood City from potentially having a small recycling facility on their parking lots.

## **PLANNING COMMISSION REVIEW**

On March 19, 2019, the Planning Commission held a study session. During the study session, staff presented the Planning Commission with information on the location of all small recycling facilities within the City and what other markets are doing to address the State's beverage container collection/recycling mandate. The Commission received the information and directed staff to prepare a code amendment.

On April 9, 2019, the Planning Commission held a public hearing and adopted Resolution No. 19-5984, recommending City Council approval of Code Amendment No. 19-01, which would amend Section 26-685.93(1) of the West Covina Municipal Code reducing the separation requirement of small recycling facilities to residential uses/zones from 250 feet to 150 feet if there is an arterial street separating the recycling center and the adjacent residential uses/zones; and reducing the minimum market size threshold from 30,000 square feet to 25,000 square feet. The Commission voted 3-1 (Commissioner Heng voted no; Commissioner Kennedy was absent).

## **LEGAL REVIEW:**

The City Attorney's Office has reviewed the proposed ordinance.

## **OPTIONS:**

The City Council has the following options:

1. Approve the Planning Commission's recommendation; or
2. Provide alternative direction

## **ENVIRONMENTAL REVIEW:**

The proposal is not subject to the California Environmental Quality Act (CEQA) per Section 15061 (b)(3) of the CEQA Guidelines, which provides that CEQA only applies to activity that results in direct or reasonably foreseeable indirect physical change in the environment and for activity considered to be a project, respectively. The amendment to the West Covina Municipal Code would not result in a physical change in the environment because it would only revise development standards for small recycling facilities.

**Prepared by:** Jo-Anne Burns, Planning Manager

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#### **Attachments**

Attachment No. 1 - Ordinance No. 2460

Attachment No. 2 - Planning Commission Resolution No. 19-5984

Attachment No. 3 - Planning Commission Minutes April 9, 2019 - Excerpt

Attachment No. 4 - April 9, 2019 Planning Commission Meeting Staff Report

Attachment No. 5 - Planning Commission Minutes March 12, 2019 - Excerpt

Attachment No. 6 - March 12, 2019 Study Session Staff Report

Attachment No. 7 - Letter of Request

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**CITY COUNCIL GOALS & OBJECTIVES:** Sustainability



## AGENDA STAFF REPORT

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City of West Covina | Office of the City Manager

**DATE:** June 4, 2019

**TO:** Mayor and City Council

**FROM:** David Carmany  
Interim City Manager

**SUBJECT: CONSIDERATION OF A RESOLUTION AUTHORIZING APPLICATION FOR A  
FIVE-YEAR CALRECYCLE GRANT**

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### RECOMMENDATION:

It is recommended that the City Council adopt the following resolution:

**RESOLUTION NO. 2019-37 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, AUTHORIZING THE SUBMITTAL OF APPLICATIONS FOR ALL CALRECYCLE GRANTS FOR WHICH THE CITY OF WEST COVINA IS ELIGIBLE FOR FIVE YEARS FROM THE DATE OF THE ADOPTION OF THIS RESOLUTION**

### BACKGROUND:

The California Department of Resources, Recycling and Recovery (CalRecycle) administers various grant programs in the State's effort to reduce, recycle, and reuse solid waste to preserve landfill capacity and protect public health and safety, and the environment.

Both discretionary (competitive) and non-competitive grants are available through CalRecycle. The City has been successful in securing discretionary grants from CalRecycle for tire recycling grants through Rubberized Asphalt Concrete (RAC) Grant and Tire-Derived Product (TDP) Grant programs. Household Hazardous Waste (HHW) discretionary grants are also available to local governments to establish and implement waste diversion and separation programs to prevent disposal of hazardous waste, including household hazardous waste, in solid waste landfills.

### DISCUSSION:

CalRecycle grant application procedures require an applicant to authorize by resolution the submittal of application(s) and the designation by job title of an individual authorized to execute all grant documents on behalf of the City, in this case, the Community Development Director.

The City is currently receiving funding for two (non-competitive) payment program grants – the Used Oil Payment Program and the Beverage Container City/County Payment Program (CRV). The Used Oil Payment Program provides assistance to local governments to develop and maintain used oil and used oil filter collection/recycling programs. These funds have enabled the former Public Works Department (currently Public Services and Community Development Departments) to provide residents with new oil filters in exchange for their used filters, paid for advertising the recycling of used oil and oil filters, and funded such items as storm drain filters and



cleaners. The City also uses the CRV grant funding for advertising to promote recycling as well as other beverage container recycling and litter abatement activities such as providing recycling containers for City facilities and schools, and purchasing trash cans, tables, and benches made from recycled materials.

In addition, the City receives (non-competitive) Local Enforcement Agency (LEA) grant funding. These grant funds are used to offset a portion of the LEA program costs relative to the BKK Landfill's post-closure activities, thereby reducing the City's general fund obligation. Included in these activities are contractual waste management enforcement and inspection services.

Staff intends to continue to pursue all CalRecycle grants for which the City of West Covina is eligible.

#### **OPTIONS:**

The City Council has the following options:

1. Adopt the proposed resolution to authorize submission of all CalRecycle grants the City of West Covina is eligible for the next five (5) years from the adoption of this resolution; or
2. Decline authorization of grant application submittals, thus diverting any potential CalRecycle grant funds that the City of West Covina may be eligible for to other jurisdictions. West Covina currently receives approximately \$75,000 from CalRecycle in non-competitive grant funding annually. If declined, there will be no funding for the Used Oil and CRV programs. In addition, the State mandated post-closure maintenance and monitoring activities for the BKK Landfill will have to be funded entirely from General Funds. The LEA Grant currently funds approximately \$15,800 annually with an additional \$28,000 from monies obligated to the City from the waste hauler for waste management and oversight programs; or
3. Provide alternative direction.

#### **ENVIRONMENTAL REVIEW:**

This project is a General Exemption under the California Environmental Quality Act.

**Prepared by:** Miguel Hernandez, Public Works Project Supervisor

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#### **Fiscal Impact**

##### **FISCAL IMPACT:**

All CalRecycle grant funding will be utilized for the implementation of eligible projects as specified in program guidelines to support Zero Waste California. There are no costs to the City's General Fund.

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#### **Attachments**

Attachment No. 1 - Resolution No. 2019-37

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**CITY COUNCIL GOALS & OBJECTIVES:** Address NPDES Issue

**RESOLUTION NO. 2019-37**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, AUTHORIZING THE SUBMITTAL OF APPLICATIONS FOR ALL CALRECYCLE GRANTS FOR WHICH THE CITY OF WEST COVINA IS ELIGIBLE FOR FIVE YEARS FROM THE DATE OF THE ADOPTION OF THIS RESOLUTION**

**WHEREAS**, Public Resources Code sections 40000 et seq. authorize the Department of Resources Recycling and Recovery (CalRecycle) to administer various grant programs (grants) in furtherance of the State of California's (state) efforts to reduce, recycle and reuse solid waste generated in the state thereby preserving landfill capacity and protecting public health and safety and the environment; and

**WHEREAS**, in furtherance of this authority CalRecycle is required to establish procedures governing the application, awarding, and management of the grants; and

**WHEREAS**, CalRecycle grant application procedures require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of CalRecycle grants.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF WEST COVINA CALIFORNIA, DOES RESOLVES AS FOLLOWS:**

**SECTION 1.** Authorizes the submittal of application(s) to CalRecycle for all grants for which the City of West Covina is eligible.

**SECTION 2.** That the Community Development Director or his/her designee is hereby authorized and empowered to execute in the name of the City of West Covina all grant documents, including but not limited to, applications, agreements, amendments and requests for payment, necessary to secure grant funds and implement the approved grant project.

**SECTION 3.** That these authorizations are effective for five (5) years from the date of adoption of this resolution.

**SECTION 4.** The City Clerk shall certify to the adoption of this resolution.

**PASSED, APPROVED AND ADOPTED** on June 4, 2019.

---

Lloyd Johnson  
Mayor

**APPROVED AS FORM**

**ATTEST**

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Scott E. Porter  
City Attorney

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Carrie Gallagher, CMC  
Assistant City Clerk

I, CARRIE GALLAGHER, ASSISTANT CITY CLERK of the City of West Covina, California, do hereby certify that the foregoing resolution was duly adopted by the City Council of the City of West Covina, California, at a regular meeting thereof held on the 4<sup>th</sup> day of June 2019, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Carrie Gallagher, CMC  
Assistant City Clerk



## AGENDA STAFF REPORT

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City of West Covina | Office of the City Manager

**DATE:** June 4, 2019

**TO:** Mayor and City Council

**FROM:** David Carmany  
Interim City Manager

**SUBJECT: CONSIDERATION OF ADOPTION OF A RESOLUTION OF INTENTION TO LEVY ASSESSMENTS FOR THE AUTO PLAZA BUSINESS IMPROVEMENT DISTRICT**

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### RECOMMENDATION:

It is recommended that the City Council adopt the following resolution:

**RESOLUTION NO. 2019-33 - A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA TO LEVY ASSESSMENTS WITHIN THE WEST COVINA AUTO PLAZA BUSINESS IMPROVEMENT DISTRICT AREA FOR FISCAL YEAR 2019-20, AND PROVIDE NOTICE OF PUBLIC HEARING THEREON TO BE CONDUCTED JUNE 18, 2019**

### BACKGROUND:

California state law establishes the framework for Business Improvement Districts (BID). The State wanted to make it possible for groups of businesses to band together and invest in their commercial neighborhoods for the purposes of revitalization, stability and growth. The City created this BID at the request of the businesses located in the area. The BID assessment is collected through property taxes and managed by the City for BID expenditures on BID determined programs. BID funded programs are in addition to normal City services and maintenance. Each June, the City Council holds noticed public hearings before deciding to renew the BID for another year.

On June 1, 1993, the City Council adopted Ordinance No. 1923, which established the West Covina Auto Plaza BID. The assessment revenue is collected from businesses located within the Business Improvement Area and is used to pay for the capital costs, operation and maintenance of an electronic reader board sign located in the West Covina Auto Plaza, adjacent to the I-10 freeway, as well as payment for the operation and maintenance costs for the Auto Plaza entry monument sign and landscaping located at the southwest corner of Azusa Avenue and Garvey Avenue South.

On April 19, 1994, the City Council appointed an Advisory Board consisting of the owners (and/or their representatives) of the auto dealerships located at the Auto Plaza. The function of the Advisory Board is to review the Annual Report (Attachment No. 2), which includes the Fiscal Year 2019-20 budget for the proposed assessment and make a recommendation to the City Council with respect to adopting that report.

### DISCUSSION:

The purpose of this report is to set the date and time of the Public Hearing to consider the adoption of a budget and annual assessment for the West Covina Auto Plaza Business Improvement District area. On May 23, 2019, the West Covina Auto Plaza Business Improvement District (West Covina Auto Plaza BID) Advisory Board held its annual meeting and approved the Annual Report. The Annual Report was filed with the City Clerk as required by the Parking and Business Improvement Area Law of 1989 (Streets and Highways Code Section 36500, et seq.).

Upon setting the date and time of the Public Hearing, the next step in this process is for the City Council to adopt the Resolution of Intention (Attachment No. 1), which sets a public hearing date, at which time the City Council will consider the proposed budget for the Business Improvement District. The attached Resolution sets the date for the required Public Hearing for June 18, 2019. At the conclusion of the Public Hearing, the City Council may adopt or revise (but not increase) the proposed assessment.

The Annual Report includes a total budget of \$118,326.40, with an assessment of \$16,524.00 per dealership site. Gross estimated annual cost for operating expenditures including programming, maintenance, electricity, and insurance for the readerboard sign, landscaping, landscape maintenance, taxes and preparation costs, is \$67,735.74. The annual loan repayment is \$50,590.66, totaling \$118,326.40 in annual expenditures. The Advisory Board voted to assess themselves \$16,524.00 (the same as last year) which would generate \$115,668.00 for Fiscal Year (FY) 2019-20. As the annual expenditures increased, the assessments will not cover the total annual expenditures with a deficit of \$2,658.40. The Advisory Board elected to utilize a portion of FY 2018-19 surplus of \$127,679.84 to cover the deficit and to cover the required six (6) month operating reserve (\$33,867.87). An assessment of \$16,524.00 for each of the seven (7) dealership sites in the business improvement district will be placed on the tax rolls by the County of Los Angeles Department of Auditor-Controller.

The anticipated year-end net balance for FY 2018-19 is anticipated to be \$125,021.44 including the operating reserves.

Adoption of a Resolution of Intention is required by the procedure set forth in the Streets and Highways Code, Section 36534.

#### **LEGAL REVIEW:**

The City Attorney's Office has reviewed the attached documents and approved them as to form.

#### **OPTIONS:**

The City Council has the following options:

1. Approve staff's recommendation; or
2. Provide alternative direction.

#### **ENVIRONMENTAL REVIEW:**

This project is a General Exemption under the California Environmental Quality Act.

**Prepared by:** Gerardo Rojas, Economic Development Project Coordinator

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### **Fiscal Impact**

#### **FISCAL IMPACT:**

There is no impact to the City's General Fund by adopting the resolution of intention and setting the Public Hearing for June 18, 2019. As part of the Annual Report approval by the Auto Plaza BID is the repayment of the City loan. All costs are covered by assessments collected from the West Covina Auto Plaza Business Improvement District dealerships. In addition, the Auto Plaza Business Improvement District is charged a nominal administrative fee for City staff's time to administer the West Covina Plaza BID and monitor the annual budget.

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## **Attachments**

Attachment No. 1 - Resolution No. 2019-33

Annual Report for Fiscal Year 2019-20 - Attachment No. 2

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**CITY COUNCIL GOALS & OBJECTIVES:** Build Financial Health & Economic Stability

## ATTACHMENT NO. 1

### RESOLUTION NO. 2019-33

#### **A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, TO LEVY ASSESSMENTS WITHIN THE WEST COVINA AUTO PLAZA BUSINESS IMPROVEMENT DISTRICT AREA FOR FISCAL YEAR 2019-20, AND PROVIDE NOTICE OF PUBLIC HEARING THEREON TO BE CONDUCTED JUNE 18, 2019**

The City Council of the City of West Covina resolves as follows:

SECTION 1: The City Council proposes to levy and collect assessments within the West Covina Auto Plaza Business Improvement District Area ("Area") for Fiscal Year 2019-20.

SECTION 2: On June 1, 1993, the City Council adopted Ordinance No. 1923, which established the West Covina Auto Plaza Business Improvement District ("District") for purposes of levying an assessment within the designated Area. The District was established with one hundred percent (100%) property owner consent. The proposed use of the assessment revenue collected is for financing the construction, operation and maintenance of an electronic readerboard sign located in the West Covina Auto Plaza adjacent to the San Bernardino Interstate 10 Freeway, as well as financing of the operation and maintenance costs for the entry monument to the Auto Plaza, which includes the sign and landscaping located at the southwest corner of Azusa Avenue and Garvey Avenue South.

SECTION 3: Because the assessment is not being increased, the District is not required to comply with Proposition 218.

SECTION 4: The Advisory Board for the District filed with the City Clerk an Annual Report pursuant to the Parking and Business Improvement Area Law of 1989 (Streets and Highways Code Section 36500, et seq.), which describes the proposed improvements and activities authorized by Ordinance No. 1923. The Annual Report is available in the office of the City Clerk.

SECTION 5: NOTICE IS HEREBY GIVEN that the City Council will provide an opportunity for public testimony on the proposed assessment for Fiscal Year 2019-20 at its July 18, 2019 meeting at 7 p.m. at the West Covina City Council Chambers located at 1444 W. Garvey Avenue South, West Covina, California.

Protests may be made orally or in writing by any interested person. Any written protest must contain a description of the business and evidence that the person submitting it is the owner of the business within the District if he/she is not shown as such on City records. A protest which does not identify the business or owner will not be considered. Any protest regarding the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the defect. The City Council may waive any irregularity in the form or content of a protest. A written protest must be filed in the form or content of a protest. A written protest must be filed

with the City Clerk at or before the time set for hearing and may be withdrawn in writing any time before the conclusion of the public hearing.

If written protests as to the proposed levy of assessments for Fiscal Year 2019-20 are received (and not withdrawn) from owners of businesses which will pay 50% or more of the total assessments, no further proceedings to levy the proposed assessments for Fiscal Year 2019-20 will be taken for one year from the date of the majority protest. If the majority protest is only against the furnishing of a specified type or types of improvement or activity within the area, those types of improvements or activities shall be eliminated.

FOR ADDITIONAL INFORMATION: CONTACT PAULINA MORALES, ECONOMIC DEVELOPMENT & HOUSING MANAGER, CITY OF WEST COVINA, 1444 WEST GARVEY AVENUE, ROOM 205, WEST COVINA, CALIFORNIA 91790; TELEPHONE NUMBER (626) 939-8417.

SECTION 6: At the conclusion of the hearing, the City Council may adopt, revise, change, reduce or modify (but may not increase) the proposed assessment or type of improvements to be funded. If the Council determines to levy the assessment, it may adopt a resolution confirming so.

SECTION 7: The City Clerk will cause this Resolution of Intention to be published once in a newspaper of general circulation in the City at least seven (7) days before the June 18, 2019 public hearing.

SECTION 8: This resolution shall take effect immediately upon adoption.

SECTION 9: The City Clerk shall certify to the adoption of this resolution.

APPROVED AND ADOPTED on this 4<sup>th</sup> day of June 2019.

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Mayor Lloyd Johnson

ATTEST:

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City Clerk Nickolas S. Lewis



I, NICKOLAS S. LEWIS, CITY CLERK of the City of West Covina, California, do hereby certify that the foregoing resolution was duly adopted by the City Council of the City of West Covina, California, at a meeting thereof held on the 4<sup>th</sup> day of June 2019, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

City Clerk Nickolas S. Lewis

APPROVED AS TO FORM:

---

Scott Porter  
City Attorney

**WEST COVINA AUTO PLAZA  
BUSINESS IMPROVEMENT DISTRICT**

**ANNUAL REPORT  
FOR  
FISCAL YEAR 2019-2020**

**1. Any proposed changes in the boundaries of the business improvement district area.**

None.

**2. The improvements and activities to be provided for Fiscal Year 2019-2020.**

Financing the operation and maintenance of an LED readerboard sign located in the West Covina Auto Plaza adjacent to the San Bernardino Interstate 10 Freeway as well as financing of the operation and maintenance costs for the entry monument to the Auto Plaza, which includes the sign and landscaping located at the southwest corner of Azusa Avenue and Garvey Avenue South. Financing also includes landscape maintenance along Interstate 10 Freeway immediately facing and parallel to the Auto Plaza Dealerships.

**3. Estimate of the cost of providing the improvements and the activities for Fiscal Year 2019-2020.**

Gross estimated annual cost for operating expenditures including programming, maintenance, electricity, and insurance for the readerboard sign, landscaping, landscape maintenance, taxes and preparation costs, is \$67,735.74. The annual loan repayment is \$50,590.66, totaling \$118,326.40 in annual expenditures. The Advisory Board voted to assess themselves \$16,524.00 (the same as last year) which would generate \$115,668.00 for FY 2019-20. As the annual expenditures increased, the assessments will not cover the total annual expenditures with a deficit of \$2,658.40. The Advisory Board elected to utilize a portion of FY 2018-19 surplus of \$127,679.84 to cover the deficit of \$2,658.40 and to cover the required six (6) month operating reserve (\$33,867.87). An assessment of \$16,524.00 for each of the seven (7) dealership sites in the business improvement district will be placed on the tax rolls by the County of Los Angeles Department of Auditor-Controller.

**4. Method and basis of levying the assessment for Fiscal Year 2019-2020.**

The method and basis of levying the assessment will be pursuant to Ordinance No. 1923, which was adopted by the City Council on June 1, 1993.

**5. Amount of any surplus or deficit revenues to be carried over from Fiscal Year 2019-2020.**

The total amount of surplus anticipated to be carried over from Fiscal Year 2018-2019 is \$128,398.15. This includes the six (6) month operating reserve of \$33,867.87.

**6. Amount of any contributions to be made from sources other than the assessments levied.**

None.

**West Covina Auto Plaza  
Business Improvement District  
2019 - 2020 (July 1 - June 30)**

	FY 2014-2015 Assessment Among 7 Dealership/Sites Actual	FY 2015-2016 Assessment Among 7 Dealership/Sites Actual	FY 2016-2017 Assessment Among 7 Dealership/Sites Actual	FY 2017-2018 Assessment Among 7 Dealership/Sites Actual	2018-2019 (83% of Year Complete)				FY 2019-2020		
					Adopted Budget	As of 5/14/19	% Budget	Projected	Not using Fund Balance	Keeping Assessment the Same	Using portion of Fund Balance for Operating Reserves
<b>Fund Balance</b>											
Beginning Balance as of July 1	\$ (5,715.96)	\$ 67,404.67	\$ 88,695.68		\$ 121,669.80	\$ 129,556.55		\$ 127,679.84	\$ 127,679.84	\$ 127,679.84	\$ 127,679.84
<b>TOTAL Revenues</b>					\$ 115,668.00	\$ 74,306.18			\$ 152,194.27	\$ 115,668.00	\$ 50,646.56
<b>TOTAL Expenditures</b>					\$ 116,826.40				\$ 152,194.27	\$ 118,326.40	\$ 118,326.40
<b>OPERATING</b>											
<b>Operating Revenues</b>											
Revenues from Assessments	119,919.77	67,323.18	97,667.93	66,072.17	\$ 65,077.34	\$ 65,077.34	100%	\$ 65,077.34	\$ 101,603.61	\$ 65,077.34	\$ 50,646.56
Interest Income / Other	69.56	1,016.24	2,114.78	-	\$ -	\$ 501.58		\$ 501.58	\$ -	\$ -	\$ -
Total Operating Revenues	119,989.33	68,339.42	99,782.71	66,072.17	\$ 65,077.34	\$ 65,578.92	101%	\$ 65,578.92	\$ 101,603.61	\$ 65,077.34	\$ 50,646.56
<b>Operating Expenditures</b>											
Professional Services (EMI-Programming*)	3,120.00	3,120.00	3,120.00	4,500.00	\$ 4,560.00	\$ 3,750.00	82%	\$ 4,500.00	\$ 4,560.00	\$ 4,560.00	\$ 4,560.00
Other Contractual Services	2,958.27	4,538.02	32,472.18						\$ -	\$ -	\$ -
Accounting				6,180.00	\$ 5,000.00	\$ 2,184.68	44%	\$ 2,534.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
Project Improvements				5,000.00	\$ 5,000.00	\$ 3,290.00	66%	\$ 3,290.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Insurance				10,300.00	\$ 10,500.00	\$ 10,054.00	96%	\$ 10,054.00	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00
Other Services				1,000.00	\$ 1,000.00	\$ 2,998.00	300%	\$ 2,998.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Electricity	16,450.99	14,138.82	10,800.29	10,800.00	\$ 12,000.00	\$ 10,655.07	89%	\$ 12,530.47	\$ 12,500.00	\$ 12,500.00	\$ 12,500.00
Telephone	599.44	467.25	2,341.09	720.00	\$ 800.00	\$ 600.00	75%	\$ 720.00	\$ 800.00	\$ 800.00	\$ 800.00
Equipment M & R (EMI-Maintenance)	11,856.00	11,856.00	11,856.00	10,140.00	\$ 10,440.00	\$ 8,450.00	81%	\$ 10,140.00	\$ 10,440.00	\$ 10,440.00	\$ 10,440.00
Insurance	4,194.00	4,236.00	-	-	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
Project Improvements (Landscape)	1,500.00	2,502.36	-	-	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
Admin and Overhead	6,190.00	6,189.96	-	8,000.00	\$ 8,500.00	\$ -	0%	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00
Interest Expense (Sign Repayment)			10,233.85	9,433.00	\$ 8,435.74	\$ -	0%	\$ 8,435.74	\$ 8,435.74	\$ 8,435.74	\$ 8,435.74
Total Operating Expenditures	46,868.70	47,048.41	70,823.41	66,073.00	\$ 66,235.74	\$ 41,981.75		\$ 63,702.21	\$ 67,735.74	\$ 67,735.74	\$ 67,735.74
Operating Reserve					33,117.87	\$ 33,117.87			\$ 33,867.87	\$ 33,867.87	\$ 33,867.87
<b>Operating Surplus / (Deficit)</b>	<b>73,120.63</b>	<b>21,291.01</b>	<b>28,959.30</b>	<b>(0.83)</b>	<b>\$ (1,158.40)</b>	<b>\$ 23,597.17</b>		<b>1,876.71</b>	<b>\$ -</b>	<b>\$ (2,658.40)</b>	<b>\$ (17,089.18)</b>
<b>NON-OPERATING (Sign Loan)</b>											
<b>Non-Operating Revenues</b>											
Sign Loan	-	532,582.00	-	-	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
Revenues from Assessments (Sign Repayment)	-	-	47,795.07	49,593.83	\$ 50,590.66	\$ 50,590.66		\$ 50,590.66	\$ 50,590.66	\$ 50,590.66	\$ 50,590.66
Total Non-Operating Revenues	-	532,582.00	47,795.07	49,593.83	\$ 50,590.66	\$ 50,590.66		\$ 50,590.66	\$ 50,590.66	\$ 50,590.66	\$ 50,590.66
<b>Non-Operating Expenditures</b>											
Sign Purchase	-	-	532,582.00	-	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
Sign Loan Repayment	-	-	-	49,593.83	\$ 50,590.66	\$ 50,590.66		\$ 50,590.66	\$ 50,590.66	\$ 50,590.66	\$ 50,590.66
Total Non-Operating Expenditures	-	-	532,582.00	49,593.83	\$ 50,590.66	\$ 50,590.66		\$ 50,590.66	\$ 50,590.66	\$ 50,590.66	\$ 50,590.66
<b>Non-Operating Surplus / (Deficit)</b>	<b>-</b>	<b>532,582.00</b>	<b>(484,786.93)</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>RESERVES</b>											
Fund Balance	67,404.67	88,695.68	117,654.98	117,654.15	\$ 120,511.40	\$ 128,398.15		\$ 127,679.84	127,679.84	125,021.44	60,000.00
Fund Balance Minus Operating Reserve									127,679.84	91,153.57	26,132.13
Loan Balance		(532,582.00)	(484,786.93)	(434,371.54)	\$ (383,780.88)			(383,780.88)	(333,190.22)	(333,190.22)	(333,190.22)
<b>ASSESSMENT PER DEALER (7)***</b>	<b>\$ 9,625.00</b>	<b>\$ 9,625.00</b>	<b>\$ 20,943.59</b>	<b>\$ 20,943.59</b>	<b>\$ 16,524.00</b>				<b>\$ 21,742.04</b>	<b>\$ 16,524.00</b>	<b>\$ 7,235.22</b>

\*EMI Agreements expire March 2022

\*\* Association meets minimum six month operating reserve fund requirement for FY 2017-18, FY 2018-19 and FY 2019-20, per LED Sign Replacement Loan Agreement

\*\*\*Assessment changes to 7 dealerships in FY 15-16



## AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

**DATE:** June 4, 2019

**TO:** Mayor and City Council

**FROM:** David Carmany  
Interim City Manager

**SUBJECT: CONSIDERATION OF A BUDGET AMENDMENT FOR THE GROUND EMERGENCY MEDICAL TRANSPORT QUALITY ASSURANCE FEE PROGRAM FOR FISCAL YEAR 2018-19**

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### RECOMMENDATION:

It is recommended that the City Council adopt the following resolution:

**RESOLUTION NO. 2019-36 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING A BUDGET AMENDMENT FOR THE FISCAL YEAR COMMENCING JULY 1, 2018 AND ENDING JUNE 30, 2019 (GROUND EMERGENCY MEDICAL TRANSPORT QUALITY ASSURANCE FEE PROGRAM)**

### BACKGROUND:

The West Covina Fire Department (Fire Department) provides Ground Emergency Medical Transportation (GEMT) services to Medi-Cal beneficiaries. Medi-Cal is part of California's national health coverage program called Medicaid. Each state operates its own Medicaid program. Medi-Cal pays for a variety of medical services for children and adults with limited income and resources. Medi-Cal is supported by federal and state taxes. GEMT Program Overview California Welfare and Institutions (W&I) Code §14105.94, enacted by the State Legislature on October 2, 2011, authorized the Ground Emergency Medical Transportation Services (GEMT) supplemental reimbursement program. This voluntary Certified Public Expenditure (CPE) based program provides additional funding to eligible governmental entities that provide GEMT services to Medi-Cal beneficiaries. The Centers for Medicare and Medicaid Services (CMS) approved State Plan Amendment (SPA) 09-024 on September 4, 2013, authorizing the federal share of the supplemental reimbursement payments based on uncompensated costs for Medi-Cal fee-for-service transports, effective January 30, 2010.

In October 2017, Senate Bill 523 (Chapter 773, Statutes of 2017) was signed into law, and established a mandatory GEMT Quality Assurance Fee (QAF) program. Senate Bill 523 authorizes DHCS to collect data from GEMT providers including: (1) on a quarterly basis, the number of emergency medical transports, by payor type; and (2) on an annual basis, gross receipts received from the provision of emergency medical transports per fiscal year. All providers of GEMT services are required to submit data to DHCS. The data collected is used to calculate an annual GEMT QAF rate that will be imposed on each emergency medical transport provided by each GEMT provider subject to the GEMT QAF. The GEMT QAF will be collected to increase reimbursement to GEMT providers by application of an add-on to the fee-for-service fee schedule rate for the affected emergency medical transport billing codes.

**DISCUSSION:**

Although Senate Bill 523 was approved in October 2017, the Fire Department was unaware of the amount owed for the GEMT QAF program until April 24, 2019. On that day, DHCS notified the Fire Department that the GEMT QAF payments, based on a rate of \$25.23 per transport, must be paid for dates of service between Quarter 1 (Q1) of 2018 through Q1 of 2019, retroactive to July 1, 2018. Because of the delayed GEMT QAF program implementation, DHCS set the following GEMT QAF payment due dates:

Due Date	Reporting Period	QAF Amount Due
April 30, 2019	Q2 (April - June) of 2018	\$25,002.93
May 15, 2019	Q3 (July - September) of 2018	\$25,734.60
May 15, 2019	Q1 (January - March) of 2019	\$23,716.20
June 15, 2019	Q1 (January - March) of 2018	\$25,204.77
June 15, 2019	Q4 (October - December) of 2018	\$24,422.64
<b>Sub-Total</b>		<b>\$124,081.14</b>

The regular schedule for GEMT QAF collections will start on July 1, 2019. GEMT QAF payments will be due on or before the first day of each quarter for transports reflected in the preceding quarter.

**ENVIRONMENTAL REVIEW:**

This project is a General Exemption under the California Environmental Quality Act.

**Prepared by:** Russell Narahara, Management Analyst II

**Additional Approval:** Mike Hambel, Acting Fire Chief

**Additional Approval:** Robbeyn Bird, Interim Finance Director

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**Fiscal Impact****FISCAL IMPACT:**

Due to the delayed implementation of the GEMT QAF program, no funds were budgeted in the Fire Department's Fiscal Year 2018-19 budget. Therefore, appropriation from the General Fund balance in the amount of \$124,081.14 is needed.

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**Attachments**

Attachment No. 1 - Resolution No. 2019-36

Exhibit 1 - Budget Amendment No. 090

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**RESOLUTION NO. 2019-36**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, ADOPTING A BUDGET AMENDMENT FOR THE FISCAL YEAR COMMENCING JULY 1, 2018 AND ENDING JUNE 30, 2019 (GROUND EMERGENCY MEDICAL TRANSPORT QUALITY ASSURANCE FEE PROGRAM)**

**WHEREAS**, the City Manager, on or about August 21, 2018, submitted to the City Council a proposed budget for the appropriation and expenditure of funds for the City of West Covina for Fiscal Year 2018-19; and

**WHEREAS**, following duly given notice and prior to budget adoption, the City Council held public meetings, considering and evaluating all comments, and adopted a budget for the fiscal year commencing July 1, 2018 and ending June 30, 2019; and

**WHEREAS**, amendments must periodically be made to the budget to conform to changed circumstances following adopting of the budget.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, DOES RESOLVE AS FOLLOWS:**

**SECTION 1.** That the budget amendment for Fiscal Year 2018-19 is hereby approved as reflected in Exhibit 1 attached hereto.

**SECTION 2.** That this resolution shall be effective immediately upon passage and adoption.

**SECTION 3.** The City Clerk shall certify to the adoption of this resolution.

**PASSED, APPROVED, AND ADOPTED** on this 4<sup>th</sup> day of June 2019.

---

Lloyd Johnson  
Mayor

**APPROVED AS TO FORM**

**ATTEST**

---

Scott E. Porter  
City Attorney

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Carrie Gallagher, CMC  
Assistant City Clerk

I, CARRIE GALLAGHER, ASSISTANT CITY CLRK, HEREBY CERTIFY that the foregoing resolution was duly adopted by the City Council of the City of West Covina, California, at a regular meeting thereof on the 4<sup>th</sup> day of June 2019, by the following vote of the City Council:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Carrie Gallagher, CMC  
Assistant City Clerk

CITY OF WEST COVINA  
BUDGET AMENDMENT

BA # 090

Posted By:

Date Posted:

Date: 06/04/2019  
Requested by: Russell Narahara  
Dept/Div: Fire Department

Fiscal Year: 2018-19  
Amount: \$124,081.14  
Description: Ground Emergency Medical Transport (GEMT)  
Quality Assurance Fee (QAF) Program

**EXPENDITURES**

Account Number	Dept/Account Description	Current Budget	Proposed Amendment	Amended Budget
110.32.3210.6490	Miscellaneous Expenses	357,000.00	124,081.14	481,081.14

**REVENUES**

Account Number	Account Description	Current Budget	Proposed Amendment	Amended Budget
				-
				-
				-
				-

**REASON/JUSTIFICATION (Please be specific)**

Due to the delayed implementation of the GEMT QAF program, no funds were budgeted in the Fire Department's FY 2018-19 budget. Requesting appropriation of General Fund balance in the amount of \$124,081.14.

**APPROVALS**

City Council Approval Date (if required, attach minutes): June 4, 2019 ☐ Approval Not Required

Dept Head Approval: \_\_\_\_\_ Date: \_\_\_\_\_

Finance Director: \_\_\_\_\_ Date: \_\_\_\_\_

Funds Available? ☐ Yes ☐ No

City Manager: \_\_\_\_\_ Date: \_\_\_\_\_

(if over \$100,000)

☐ Approved

☐ Denied





## AGENDA STAFF REPORT

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City of West Covina | Office of the City Manager

**DATE:** June 4, 2019

**TO:** Mayor and City Council

**FROM:** David Carmany  
Interim City Manager

**SUBJECT: PUBLIC HEARING ON ISSUANCE OF TAX EXEMPT BONDS FOR THE CAMERON PARK APARTMENTS AND RESOLUTION APPROVING THE ISSUANCE OF BONDS**

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### RECOMMENDATION:

It is recommended that the City Council:

1. Conduct a Tax Equity and Fiscal Responsibility Act Hearing in consideration of the issuance of tax exempt bond financing by the California Statewide Communities Development Authority for the benefit of Cameron Park Community Partners, LP, to provide financing for the acquisition, rehabilitation, improvement, and equipping of a 158-unit multifamily rental housing project generally known as Cameron Park Apartments; and
2. Adopt the following resolution:

**RESOLUTION NO. 2019-34 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA APPROVING THE ISSUANCE BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY OF MULTIFAMILY HOUSING REVENUE BONDS FOR CAMERON PARK APARTMENTS**

### BACKGROUND:

On April 10, 2019, City staff received a letter from the California Statewide Communities Development Authority (CSCDA) requesting a Tax Equity and Fiscal Responsibility Act (TEFRA) Public Hearing for the issuance of \$63,000,000 tax-exempt bonds for the Cameron Park Apartments located at 929 West Cameron Avenue. Cameron Park Community Partners, LP (Community Partners), owner of the Cameron Park Apartments, is seeking financing for the project through the issuance of \$63,000,000 tax-exempt bonds.

Cameron Park Apartments is a 158-unit multifamily apartment complex that includes 156 units restricted to either 50 or 60% Area Median Income (AMI), and 2 non-restricted units for manager/maintenance units. 113 of the units receive Section 8 subsidies. This project did not receive housing funds from the former Redevelopment Agency. As such, the Community Development Commission, acting as the Housing Authority for the City of West Covina, is not involved in monitoring of housing compliance for the affordable units.

Community Partners is seeking new tax-exempt multifamily revenue bonds to acquire the complex and rehabilitate

all 158-units. The rehabilitation project will include improvements to the units such as kitchen and bathroom upgrades, new flooring, and energy efficient upgrades from new appliances to retrofitting windows. Improvements also include exterior improvements to the complex such as stucco repair, new roofing, laundry room upgrades, and community building improvements.

The Cameron Park Community Partners, LP (the “Borrower”) has requested that the CSCDA serve as the municipal issuer of tax-exempt multifamily housing revenue bonds in an aggregate principal amount not to exceed \$63,000,000 (the Bonds). The proceeds of the Bonds will be used for the purpose of making a loan to the Borrower, to enable the Borrower to finance the acquisition, rehabilitation, improvement and equipping of a 158-unit affordable multifamily housing rental, which will be owned and operated by the Borrower.

According to federal tax law, tax-exempt bonds that will be used to assist multifamily housing projects, like the ones Community Partners is seeking for the Cameron Park Apartments, require approval by the applicable elected representatives (City Council), of the jurisdiction acting as the issuer (City); in the case of the Promenade Apartments, it would be the West Covina City Council. The City acts as a conduit for issuance of the bonds without having any financial or legal liability or responsibility for the project or repayment of the bonds for the financing of the project. The primary purpose of the approval requirement is to ensure that private entities such as Community Partners do not use tax-exempt financing to fund projects that are opposed by the elected local government of the city or similar jurisdiction in which the project is located.

#### **DISCUSSION:**

In order for all or a portion of the Bonds to qualify as tax-exempt bonds, the City of West Covina (“City”) must conduct a TEFRA public hearing providing the members of the community an opportunity to speak in favor of or against the use of tax-exempt bonds for the financing of the Project. Prior to a TEFRA Hearing, reasonable notice must be provided to the members of the community. Following the closing of the TEFRA Hearing, an “applicable elected representative” of the governmental unit hosting the Project must provide its approval of the issuance of the Bonds for the financing of the Project. The City Council can indicate its approval by adopting Resolution No. 2019-34 (Attachment No. 1). The public notice was published in the West Covina Press on May 23, 2019 (Attachment No. 2).

CSCDA is a joint powers authority sponsored by the League of California Cities (“League”) and the California State Association of Counties (“CSAC”). CSCDA was created by the League and CSAC in 1988 to enable local government and eligible private entities access to low-cost, tax-exempt financing for projects that provide a tangible public benefit, contribute to social and economic growth and improve the overall quality of life in local communities throughout California. CSCDA is comprised of more than 500 members, including the City of West Covina. CSCDA has issued more than \$60 billion through 1,600 plus financings since 1988, and consistently ranks in the top 10 of more than 3,000 nationwide public issuers of tax-exempt debt, as measured by annual issuance amount.

#### **LEGAL REVIEW:**

The City Attorney’s Office has reviewed the attached documents and approved them as to form.

#### **ENVIRONMENTAL REVIEW:**

As it involves negligible or no expansion of use beyond that existing, the project will not have a significant effect on the environment and is therefore categorically exempt from the provisions of the California Environmental Quality Act.

**Prepared by:** Paulina Morales, Economic Development and Housing Manager

**Additional Approval:** Scott Porter, City Attorney

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#### **Attachments**

Attachment No. 1 - Resolution - TEFRA



## **ATTACHMENT NO. 1**

### **RESOLUTION NO. 2019 -34**

#### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA APPROVING THE ISSUANCE BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE CAMERON PARK APARTMENTS**

WHEREAS, pursuant to the provisions of California Government Code Section 6500 *et seq.* and pursuant to the terms of an Amended and Restated Joint Exercise of Powers Agreement dated as of June 1, 1988 (the “Agreement”), the California Statewide Communities Development Authority (the “Authority”) is authorized, to issue revenue bonds in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code for the purpose of financing multifamily rental housing projects; and

WHEREAS, like numerous cities throughout California, the City of West Covina (the “City”) is a member of the Authority and a party to the Agreement; and

WHEREAS, Cameron Park Community Partners, LP (the “Developer”) (or a partnership of which the Developer or a related person to the Developer is the general partner), has requested that the Authority adopt a plan of financing providing for the issuance of exempt facility bonds for a qualified residential rental project pursuant to Section 142(a)(7) of the Internal Revenue Code of 1986 (the “Code”) in one or more series issued from time to time, including bonds issued to refund such exempt facility bonds in one or more series from time to time, and at no time to exceed \$63,000,000 in outstanding aggregate principal amount (the “Bonds”), to finance or refinance the acquisition and rehabilitation of a 158-unit multifamily rental housing project located at 929 W. Cameron Avenue, West Covina, California (the “Project”); and

WHEREAS, pursuant to Section 147(f) of the Code, prior to their issuance, private activity bonds must be approved by the “applicable elected representative” of the governmental units on whose behalf such bonds are expected to be issued and by a governmental unit having jurisdiction over the entire area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

WHEREAS, the members of this City Council (this “City Council”) are the applicable elected representatives of the City; and

WHEREAS, there has been published, at least 7 days prior to the date hereof, in a newspaper of general circulation within the City, a notice that a public hearing regarding the Bonds would be held on a date specified in such notice; and

WHEREAS, such public hearing was conducted on such date, at which time an opportunity was provided to interested parties to present arguments both for and against the issuance of the Bonds; and

WHEREAS, the Authority is also requesting that the City Council approve the issuance of any refunding bonds hereafter issued by the Authority for the purpose of refinancing the Bonds

which financed the Project (the “Refunding Bonds”), but only in such cases where federal tax laws would not require additional consideration or approval by the City Council; and

WHEREAS, it is intended that this Resolution shall constitute the approval of the issuance of the Bonds required by Section 147(f) of the Code and Section 9 of the Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WEST COVINA AS FOLLOWS:

Section 1. The above recitals are true and correct.

Section 2. The City Council hereby approves the issuance of the Bonds and the Refunding Bonds by the Authority. It is the purpose and intent of the City Council that this resolution constitute approval of the Bonds for the purposes of both (i) Section 147(f) of the Code and (ii) Section 9 of the Agreement. The Bonds and the Refunding Bonds (i) will not be a debt or obligation of the City, (ii) will not be payable from the general fund or any other fund of the City, and (iii) are not secured by any lien against or pledge of any asset, revenue, or authority of the City.

Section 3. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents that they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing approved hereby. This Resolution does not authorize any officer of the City to bind the City to any financial responsibility for payment of debt service on the Bonds or on the Refunding Bonds.

Section 4. This resolution shall take effect immediately upon its passage.

ADOPTED by the City Council of the City of West Covina at a regular meeting of said Council held on the 4th day of June 2019, by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Mayor Lloyd Johnson

**APPROVED AS TO FORM:**

**ATTEST:**

\_\_\_\_\_  
Scott Porter  
City Attorney

\_\_\_\_\_  
Carrie Gallagher  
City Clerk

## **ATTACHMENT NO. 2**

### **NOTICE OF PUBLIC HEARING REGARDING ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR CAMERON PARK APARTMENTS**

NOTICE IS HEREBY GIVEN that, at 7:00 p.m., or as soon thereafter as the matter can be heard, on Tuesday, June 4, 2019, at the City Hall Council Chambers, 1444 W. Garvey Avenue South, West Covina, California, the City Council of the City of West Covina (the “City”) will conduct a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986 (the “Code”), at which it will hear and consider information concerning a proposed plan of financing providing for the issuance by the California Statewide Communities Development Authority of exempt facility bonds for a qualified residential rental project pursuant to Section 142(a)(7) of the Code in one or more series issued from time to time, including bonds issued to refund such exempt facility bonds in one or more series from time to time, and at no time to exceed \$63,000,000 in outstanding aggregate principal amount, to finance or refinance the acquisition and rehabilitation of a 158-unit multifamily rental housing project located at 929 W. Cameron Avenue, West Covina, California. The facilities are to be owned by Cameron Park Community Partners, LP (the “Borrower”) or a partnership of which Community Preservation Partners, LLC (the “Developer”) or a related person to the Developer is the general partner (the “Project”).

Those wishing to comment on the proposed financing or refinancing and the nature and location of the Project may either appear in person at the public hearing or submit written comments, which must be received by the City prior to the hearing. Written comments should be sent to City of West Covina at 1444 West Garvey Ave South, Room 317, West Covina, CA 91790, Attention: City Clerk.

**CITY CLERK  
CITY OF WEST COVINA**

Dated: May 23, 2019



## AGENDA STAFF REPORT

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City of West Covina | Office of the City Manager

**DATE:** June 4, 2019

**TO:** Mayor and City Council

**FROM:** David Carmany  
Interim City Manager

**SUBJECT: FISCAL YEAR (FY) 2019-2020 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)  
ACTION PLAN**

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### **RECOMMENDATION:**

It is recommended that the City Council approve the proposed Fiscal Year (FY) 2019-2020 CDBG Action Plan.

### **BACKGROUND:**

The Community Development Block Grant (CDBG) program is a flexible program of the U.S. Department of Housing and Urban Development (HUD) that provides communities with resources to address a wide range of unique community development needs. Beginning in 1974, the CDBG program is one of the longest continuously run programs at HUD. The CDBG program provides annual grants on a formula basis to 1,209 general units of local government and States.

The CDBG program works to ensure decent affordable housing, to provide services to the most vulnerable in our communities, and to create jobs through the expansion and retention of businesses. CDBG is an important tool for helping local governments tackle serious challenges facing their communities. The CDBG program has made a difference in the lives of millions of people and their communities across the Nation.

The annual CDBG appropriation is allocated between States and local jurisdictions called "non-entitlement" and "entitlement" communities respectively. Entitlement communities are comprised of central cities of Metropolitan Statistical Areas (MSAs); metropolitan cities with populations of at least 50,000; and qualified urban counties with a population of 200,000 or more (excluding the populations of entitlement cities). States distribute CDBG funds to non-entitlement localities not qualified as entitlement communities.

HUD determines the amount of the city's grant by using a formula comprised of several measures of community need, including the extent of poverty, population, housing overcrowding, age of housing, and population growth lag in relationship to other metropolitan areas. West Covina is direct entitlement community and uses these federal funds to create transformative impact, and to improve the lives of residents, especially those with low and moderate income levels.

In recent years, the City of West Covina has utilized these funds for Code Enforcement, the Domestic Violence Victim Advocate (Police Department), Senior Meals program, the Business Assistance Loan Program, the Housing Preservation Program, Public Infrastructure Projects, and to fund various public service providers (i.e., food banks, homeless advocates, meals on wheels, etc.).

As a condition of receiving the funds, HUD requires the City to prepare an annual Action Plan, which details the activities the City plans to undertake with the funds in the respective year. This Action Plan is to be consistent with the five-year CDBG Consolidated Plan, which is a strategic and visioning document on the use of these funds. The City Council adopted its most recent 5-year CDBG Consolidated Plan on May 5, 2015, which is valid through 2020. The City's proposed FY 2019-2020 CDBG Action Plan is included as Attachment No. 1 of this report.

As a basis for the Consolidated Plan, an assessment and prioritization of community needs, relative to the use of CDBG funds, was required. The categories of community need identified in the current Consolidated Plan are: (1) Economic Development, (2) Infrastructure Improvements, (3) Owner Occupied Housing, (4) Public Facilities, (5) Homeless/HIV/AIDS, (6) Non-Homeless Special Needs, (7) Public Services, and (8) Rental Housing. Attachment No. 2 describes each category in detail.

To facilitate prioritization and to evaluate the categories, HUD utilizes four levels of priority: High, Medium, Low, and No Such Need. A High Priority means that activities in that category will be funded by CDBG funds. A Medium Priority means activities in that category may be funded by CDBG funds. A Low Priority means CDBG funds will not be used to fund activities in a particular category.

The City Council established the FY 2015-2020 Consolidated Plan Priorities through actions on May 5, 2015, and subsequent amendments on July 7, 2015, April 5, 2016, and March 20, 2018, as outlined in Table 1. These priorities were affirmed by the City Council on February 19, 2019, for the FY 2019-2020 Action Plan.

**Table 1**  
**FY 2015-2020 Consolidated Plan Priorities**

<b>Categories of Need</b>	<b>Priority Level</b>
Economic Development	High
Homeless/HIV/AIDS	High
Infrastructure Improvements	High
Owner-Occupied Housing	High
Public Facilities	High
Non-Homeless Special Needs	Medium
Public Services	Medium
Rental Housing	Low

The categories shown as 'Medium' and 'Low' do not indicate that these are not priorities of the City of West Covina; however, with limited CDBG funds, the City Council determined the other categories as a priority for use of CDBG funding during this term.

## **DISCUSSION:**

As directed by the City Council on February 19, 2019, City staff drafted the proposed FY 2019-2020 CDBG Action Plan (Attachment No. 1) to incorporate a continuation of the City's approved FY 2015-2020 Consolidated Plan Priorities, as amended (Attachment No. 2).

In FY 2019-2020, the City will receive \$811,815 in CDBG funds. This represents an increase of approximately \$45,000 from the current year. With additional program income estimated at \$43,250, (approximately \$91,600 less than the current year) through repayments of CDBG-funded loans to the City's Housing Preservation Program, staff estimates a total amount of available resources to be approximately \$855,065. The proposed budget is shown below in Table 2. Approved funding for FY 2018-2019 is shown for comparison.

**Table 2**



**Proposed FY 2019-2020 CDBG Action Plan Budget**

<b>Project/Activity</b>	<b>FY 2018-2019 Approved</b>	<b>FY 2019-2020 Proposed</b>
1. Neighborhood Improvement Program	\$ 541,902	\$555,805
2. Planning and Administration	169,270	171,000
3. Public Services	135,189	128,260
<b>Total</b>	<b>\$ 846,361</b>	<b>\$ 855,065</b>

- 1. Neighborhood Improvement Program:** Funds eligible capital improvements such as public facilities improvements, street rehabilitation, replacement of curbs and gutters, removal of barriers to accessibility, park improvements, etc.
- 2. Planning and Administration:** By statute, capped at 20% of the sum of allocation and **current** year (FY 2019-2020) program income. FY 2019-2020 program income, to be received through repayment to the Housing Preservation Program is estimated at \$43,250.
- 3. Public Services:** By statute, capped at 15% of the sum of allocation and **prior** year (FY 2018-2019) program income. FY 2018-2019 program income, received through repayment to the Housing Preservation Program, is \$43,250 as of the writing of this report

Relative to the Neighborhood Improvement Program, two new activities are proposed: Curb Access Ramp Program (\$100,000) and Replacement of Sliding Doors at the Senior Center (\$100,000). The projects and amounts are included in the proposed FY 2019-2020 Capital Improvement Program (CIP) Budget.

Staff anticipates the unobligated balance of funding, \$355,805, will be needed to augment funding for two projects at the Senior Center approved in the FY 2018-2019 Action Plan: Renovation of the Main Hall Restroom and Roof Replacement. Obligations of these funds will be brought back to the City Council for consideration of proposed amendments to the FY 2018-2019 Action Plan in a future public hearing.

The Business Assistance Program and Housing Preservation Program will occur in FY 2019-2020 with previously allocated funds which will be carried forward. As of the writing of the report, the Business Assistance Program has a balance of \$325,000 and the Housing Preservation Program has a balance of \$145,935 as of the writing of this report.

Regarding Public Services, the City published a Notice of Funding Availability in March 2019, and received 11 funding requests totaling \$172,000 (\$43,740 more than is available) from public service providers serving West Covina residents. Descriptions of services provided are included as Attachment No. 3. A summary of proposed performance based on requested funding is included as Attachment No. 4.

Table 3 details proposed FY 2019-2020 funding by activity, alongside approved funding for FY 2018-2019 for comparison.

**Table 3  
Proposed FY 2019-2020 CDBG Action Plan Funding**

<b>Project/Activity</b>	<b>FY 2018-2019 Approved</b>	<b>FY 2019-2020 Proposed</b>	<b>Account</b>
1. Curb Access Ramp Program	\$ 0	\$ 100,000	Capital Project

2. Senior Center - Door Replacement	0	100,000	Capital Project
3. Administration	169,270	171,000	131.51.5120.5111
4. Senior Meals Program (*)	60,000	60,000	131.51.5121.6120
5. Domestic Violence Victim Advocate (*)	20,000	20,000	131.31.3130.5111
6. Careship (*)	6,000	6,000	131.51.5136.6120
7. Housing Rights Center	10,000	10,000	131.51.2244.6120
8. Senior Assistance Program (YWCA)	7,404	7,404	131.51.5121.6444
9. Action Food Pantry	6,347	5,290	131.51.5121.6207
10. Meals on Wheels (YWCA)	5,000	5,000	131.51.5121.6204
11. ESGV Coalition for the Homeless	5,114	4,686	131.51.5121.6467
12. Cory's Kitchen	4,650	4,260	131.51.5121.6466
13. Project 29:11 (Food Pantry)	5,114	4,160	131.51.5121.6203
14. Assistance League (Op School Bell)	1,592	1,460	131.51.5121.6462
15. CIP - To be Obligated	0	355,805	TBD
16. Senior Center - Roof Replacement	231,902	0	19005.131.7500
17. Senior Center - Restroom Renovation	200,000	0	19003.131.7500
18. Senior Center - North Wing Improvement and Flooring Replacement	70,000	0	18004.131.7500
19. Senior Center - Marquee Replacement	40,000	0	19004.131.7500
<b>Total</b>	<b>\$ 846,361</b>	<b>\$ 855,065</b>	

With an interest in mitigating impact to the General Fund, staff earmarked funding for City projects at the levels of request by the individual departments. This will offset City-program expenses that would otherwise be supported by the City's General Fund. All City projects are designated with an asterisk (\*) in Table 3. A decrease in CDBG funding to these programs would result in an increased burden on the General Fund in order to maintain current service levels.

Staff has also recommended funding for the Housing Rights Center. As a CDBG recipient, HUD requires grantees to provide services that promote and support fair housing in the community. Funding the Housing Rights Center addresses this HUD requirement.

Staff recommends funding the projects (Projects No. 4 through No. 7) as shown below in Table 3.

The CDBG Ad Hoc Committee of the Community and Senior Services Commission (Ad Hoc Committee) evaluated the remaining seven (7) applicants (Projects No. 8 through No. 14). Applicants made presentations to the Ad Hoc Committee on May 2, 2019. The Ad Hoc Committee then developed recommendations to allocate the balance of \$32,260 (shown in Table 3) for consideration by the full Commission. The Commission approved the recommendations at their Regular Meeting held on May 14, 2019. The recommendations are included in the proposed Action Plan and presented for the consideration of the City Council.

As required, the draft FY 2019-2020 CDBG Action Plan was available for a 30-day public review period, which began on May 18, 2019. No written public comments were received as of the time of writing this report.

An approved Action Plan is due to HUD by June 11, 2019.

## OPTIONS:

1. Approve staff's recommendation; or
2. Provide alternative direction.

**ENVIRONMENTAL REVIEW:**

This project is a General Exemption under the California Environmental Quality Act.

**Prepared by:** Kelly McDonald, Public Services Manager

**Additional Approval:** Nikole Bresciani, Assistant City Manager/Public Services Director

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**Fiscal Impact****FISCAL IMPACT:**

In FY 2019-2020, the City is to receive \$811,815 in CDBG funds. With additional program income estimated at \$43,250, through repayments of CDBG-funded loans to the City's Housing Preservation Program, staff estimates a total amount of available resources to be approximately \$855,065. Approved funding amounts will be included in the City's FY 2019-2020 Operating and Capital Improvement Budget.

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**Attachments**

Attachment No. 1 - FY 2019-2020 CDBG Action Plan - Proposed

Attachment No. 2 - Descriptions of Categories of Need in Table 1

Attachment No. 3 - FY 2019-2020 CDBG PSP Applicants

Attachment No. 4 - FY 2019-2020 CDBG PSP Performance

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**City of  
West Covina**

**Action Plan for  
Housing and Community Development**

**One Year Use of Funds  
FY 2019-2020 (July 1, 2019 – June 30, 2020)**

Prepared for:  
The U.S. Department of Housing and Urban Development

Lead Agency  
City of West Covina  
Community Services Department  
1444 W. Garvey Avenue  
West Covina, California 91790  
(626) 939-8430

**PROPOSED**

# **Executive Summary**

## **AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)**

### **1. Introduction**

West Covina was incorporated as an independent city in 1923 to prevent the city of Covina from building a sewage farm in the area. Walnut groves and orange groves continued to flourish during the subsequent decades. The population in 1930 was 769 and blossomed to 1,549 in 1940. As a result of remarkable expansion during the post-World War II building boom, West Covina became one of the fastest-growing U.S. cities between 1950 and 1960, with the population increasing 1,000 per cent from less than 5,000 to more than 50,000 residents. The decades between 1960 and 2000 demonstrated steady growth, which slowed significantly by the time of the 2010 census.

The City of West Covina began the second half of the 20th century with new developments and projects, mostly brought on by big business. The City Hall and police facility were built in 1969 as the first phase of an example of a Joint Powers Authority in the County of Los Angeles. The Civic Center Joint Powers Authority, consisting of the County of Los Angeles and the City of West Covina, also completed a three-level parking structure in the Civic Center complex. The Civic Center complex includes the Los Angeles County Regional Library and the Citrus Municipal Court building and the city offices.

### **2. Summarize the objectives and outcomes identified in the Plan**

Listed below is a summary of the objectives and outcomes of activities the City intends to fund during the FY 2019-2020 period.

#### **SL-1 Improve Availability/Accessibility for the Purpose of Creating a Suitable Living Environment**

- Fair Housing Services
- Child Care Services
- Senior Services
- Other Public Services

#### **SL-3 Improve Sustainability for the Purpose of Creating a Suitable Living Environment**

- Neighborhood Improvement Program

In FY 2019-2020, the Neighborhood Improvement Program will support several capital projects. Projects approved in prior years include street improvements, sidewalks, park and facility improvements, and accessibility improvements

### **DH–3 Sustainability for the Purpose of Creating Decent Housing**

- Owner-Occupied Housing will be supported through the Housing Preservation Loan Program. In FY 2019-2020, the program will be funded by unexpended prior year allocations. As of the writing of this report, available funding is \$145,935.

### **EO–1 Availability/Accessibility for the Purpose of Creating Economic Opportunity**

- Business Assistance Program - Loans will be made to businesses with the goal to retain/create jobs for low- and moderate income persons. In FY 2019-2020, the program will be funded by unexpended prior year allocations. As of the writing of this report, available funding is \$325,000.

## **3. Evaluation of past performance**

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The 2010-2015 Consolidated Plan established the following high priorities for CDBG funding:

- Arrest the decline of deteriorated and deteriorating areas through code enforcement activities
- Support a Neighborhood Improvement Program for infrastructure improvements
- Support public facilities funding
- Support funding for fair housing and tenant/landlord counseling services
- Address the needs of homeless families with children; homeless individuals; and chronically homeless persons
- Support public services funding

The City allocated CDBG funds to address each of the six high priorities listed above.

The City compared the cumulative proposed and actual accomplishments for Program Years 2010-2011 through 2014-2015. Actual accomplishments over the four year period exceeded the proposed accomplishments by a ratio of 2.4 to 1. Four public services had accomplishments *slightly less* than the 4-year proposed accomplishments: Senior Citizens Assistance Program, Youth Assistance Program, Cory's Kitchen and Housing Rights Center. The Neighborhood Improvement Program supported improvements such as: park improvements, facility improvements, street improvements, sidewalks, and accessibility improvements.

#### **4. Summary of Citizen Participation Process and consultation process**

Summary from citizen participation section of plan.

To encourage comment and participation, a notice was published in the San Gabriel Valley Tribune. Copies of the draft Action Plan were available for a 30-day public receive at City Hall, the Police Station, and local branch of the County Library. Agendas and staff reports are available online at the City website. The City encouraged the participation of all residents. Further outreach was possible through the live streaming of the meetings through YouTube. Meetings are stored so they can be viewed at a later time.

#### **5. Summary of public comments**

Public comments at the February 19, 2019 public hearing included the following:

1. Comment made regarding the use of funds for the homeless.

Public comments at the May 14, 2019 Community and Senior Services Commission meeting included the following:

No comments public received.

Public comments at the June 4, 2019 public hearing included the following:

To be determined

#### **6. Summary of comments or views not accepted and the reasons for not accepting them**

All comments were accepted.

#### **7. Summary**

See above responses.

## PR-05 Lead & Responsible Agencies – 91.200(b)

### 1. Agency/entity responsible for preparing/administering the Consolidated Plan

Agency Role	Name	Department/Agency
Lead Agency	WEST COVINA	
CDBG Administrator	WEST COVINA	Public Services Department
HOPWA Administrator		
HOME Administrator		
HOPWA-C Administrator		

**Table 1 – Responsible Agencies**

### Narrative (optional)

The City's CDBG programs are administered by the Public Services Department.

### Consolidated Plan Public Contact Information

Kelly McDonald  
Public Services Manager  
Public Services Department  
City of West Covina  
1444 W. Garvey Avenue So.  
West Covina, CA 91790  
(626) 939-8494 - phone  
(626) 939-8675 - fax  
kmcDonald@westcovina.org



## **AP-10 Consultation – 91.100, 91.200(b), 91.215(l)**

### **1. Introduction**

As part of the plan development, the City consulted with nonprofit agencies, affordable housing providers, and government agencies regarding the needs of the low- and moderate-income community.

#### **Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))**

During the plan development, the City coordinated with the County of Los Angeles Housing Authority. The Housing Authority provided information on the number of families receiving Section 8 rental assistance; the number of elderly and disabled assisted families; and the number of families on the Section 8 Waiting List. The City also coordinated with the Baldwin Park Housing Authority for the same information in its jurisdiction.

The private and governmental health, mental health, and service agencies that were consulted included: Southern California Association of Governments; Los Angeles County Department of Public Health, (Childhood Lead Poisoning Prevention Program and Division of HIV and STD Programs); Los Angeles County Department of Mental Health; Los Angeles County Department of Public Social Services (DPSS); Office of Statewide Health Planning and Development; Area Agency on Aging, and State Independent Living Council (SILC). Regarding economic development, the City coordinated with its Community and Economic Development Department's economic development efforts.

#### **Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.**

The Continuum of Care Strategy was consulted to provide information on homelessness and resources available. Several agencies that provide housing and supportive services for the homeless and those at risk of becoming homeless were identified. The City coordinates on an ongoing basis with the following homeless service providers: the East San Gabriel Valley Coalition for the Homeless Emergency Food and Shelter Program, YWCA – WINGS Women's Shelter, Los Angeles Homeless Services Authority, the County of Los Angeles, and San Gabriel Valley Council of Governments.

#### **Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

The City's HUD entitlement allocation does not include ESG funds.

**2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities**

**Table 2 – Agencies, groups, organizations who participated**

1	<b>Agency/Group/Organization</b>	Housing Authority of the City of Los Angeles (HACLA)
	<b>Agency/Group/Organization Type</b>	Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City requested information on Section 8 assisted households. Improved coordination is possible because baseline data provides the City a basis to monitor a reduction in rental assistance needs.
2	<b>Agency/Group/Organization</b>	Los Angeles Homeless Services Authority
	<b>Agency/Group/Organization Type</b>	Services-homeless
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	2018 Homeless Count was used as a basis for the City's sheltered and unsheltered homeless. The City was an Opt-In Community and hosted a deployment site for the 2019 Count. 277 people are experiencing homelessness in West Covina, according to the 2018 Count.
3	<b>Agency/Group/Organization</b>	Los Angeles County Department of Public Health
	<b>Agency/Group/Organization Type</b>	Services-Children
	<b>What section of the Plan was addressed by Consultation?</b>	Lead-based Paint Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Agency's website was consulted for data on the incidence of LBP poisoning. Information collected can be shared with the community to warn families of the dangers of lead based paint. Educational pamphlets are distributed to applicants of the Housing Preservation Loan Program.

4	<b>Agency/Group/Organization</b>	State Independent Living Council
	<b>Agency/Group/Organization Type</b>	Services-Persons with Disabilities
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Non-Homeless Special Needs
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Agency's multi-year plan was reviewed to gather insights on priority needs, services, and planned programs. Improved coordination provides the City information to share with the disabled community.
5	<b>Agency/Group/Organization</b>	Los Angeles County Department of Public Health-Division of HIV and STD Program
	<b>Agency/Group/Organization Type</b>	Services-Persons with HIV/AIDS
	<b>What section of the Plan was addressed by Consultation?</b>	Non-Homeless Special Needs
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Agency's was contacted to obtain data on the incidence of HIV and AIDS and programs directed at addressing these needs. Improved coordination allows the City information to share with the disabled community.

#### Identify any Agency Types not consulted and provide rationale for not consulting

The City consulted with all agencies that could provide valuable input to the development of the plan.

#### Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care		

<b>Name of Plan</b>	<b>Lead Organization</b>	<b>How do the goals of your Strategic Plan overlap with the goals of each plan?</b>
Area Agency on Aging 2016-2020 Area Plan	Los Angeles County Area Agency on Aging	The Strategic Plan has goals in support of the Area Plan which stated that the greatest economic need is among minority seniors with poverty incomes.
2017-19 State Plan for Independent Living (SPIL)	State Independent Living Council (SILC)	The Strategic Plan has goals in support of SPIL because many of West Covina's senior are frail and disabled and on the Section 8 Waiting List.
5-Year Comprehensive HIV Plan 2013-17, March 2013	Division of HIV and STD Programs, Los Angeles County Department of Public Health	The Strategic Plan has included information from this Plan.

**Table 3 – Other local / regional / federal planning efforts**

## AP-12 Participation – 91.105, 91.200(c)

### 1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

Citizen participation is one of the most important components of the planning process. To solicit public input during the development of the FY 2019-2020 Action Plan, the City conducted two public hearings.

To encourage comment and participation, public notices published in the San Gabriel Valley Tribune (Attachments). Copies of the draft Action Plan were available for a 30-day public review and comment period at City Hall, the Police Station, and County Library. The City encouraged the participation of all residents through the posting of agendas and staff reports, including making the both available for viewing and download online. Further outreach was possible through live streaming via YouTube. Meetings are stored so they can be viewed at a later time via the City website.

#### Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meeting	Non-targeted/ broad community	On February 19, 2019, a pre-development public hearing for the FY 2019-2020 Action Plan was held during the regularly scheduled City Council Meeting. To encourage comment and participation, a public notice was published in the San Gabriel Valley Tribune. Please refer to the Attachments for the affidavit of this published notice. The City encouraged the participation of all	Public comments at the February 19, 2019, public hearing included the following:  1.Comment made regarding the use of CDBG funds. A	All comments were accepted.	<a href="http://www.westcovina.org">www.westcovina.org</a>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
			residents. The agenda and staff report were available online via the City website. Further outreach was possible through live streaming via YouTube. Meetings are stored so they can be viewed at a later time. The purpose of this hearing was to obtain the public input on West Covina housing and community development needs. Staff gave an overview of the Action Plan process and CDBG funding. The Staff presentation included a review of the previously approved FY 2015-2020 Strategic Plan priorities. As part of the development of the FY 2015-2020 Consolidated Plan, an online survey was made available for residents to provide feedback relative to categories of need and prioritization. The survey was publicized through a press release, flyers, and as well as a notification on the City website. The survey covered four areas: public facilities and improvements, public services, housing, and economic	resident requested that CDBG funds not be used to reduce the quality of life for residents. The resident described activities that would be anti-car or invite homeless, thereby increase the existing homeless problem.		

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
			development. Participants were asked to prioritize various activities under each of the four areas as either High: The current priority need level is high and of great concern, Medium: The current priority need level is moderate, Low: The current priority level is low and not of great concern, or No Such Need: No such community need exists. Relative to Public Facilities and Improvements: Street Improvements; Parks & Recreational Facilities; Youth Centers; and Sidewalks were prioritized as High. Relative to Public Services: Crime Awareness; Abused and Neglected Children; Job Training; and Youth Services were prioritized as High. Relative to Housing: Energy Efficiency Improvements; Code Enforcement; and Emergency Assistance were prioritized as High. Relative to Economic Development: Rehabilitation of Commercial/Industrial Sites (i.e., Exterior) and Commercial/Industrial			



Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
			Site Infrastructure Improvements were prioritized as High. Relative to Homelessness: prioritized as High. The Strategic Plan Priorities, as amended, were affirmed to guide the FY 2019-2020 Action Plan.			
2	Public Meeting	Non-targeted/ broad community	On May 14, 2019, the Community and Senior Services Commission considered public service funding recommendations from the CDBG AdHoc Committee. The City encouraged the participation of all residents. The meeting was noticed. The agenda was posted and available online via the City website. Further outreach was possible through live streaming via YouTube. Meetings are stored so they can be viewed at a later time.	No public comments were received at the May 14, 2019 meeting.	No public comments were received	www.westcovina.org
3	Public Meeting	Non-targeted/ broad community	On June 4, 2019, a public hearing will be held during the regularly scheduled City Council Meeting to consider approval of the proposed FY 2019-2020 Action Plan. To encourage comment and participation, a notice was published in the San Gabriel	Public comments at the June 4, 2019 public hearing included the following: TBD	TBD	www.westcovina.org

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
			Valley Tribune. Copies of the proposed Action Plan were available for review at City Hall, the Police Station, and the local branch of the County Library. Please refer to the Attachments for the affidavit of this published notice. The City encouraged the participation of all residents. It is anticipated that: Further outreach was possible through the live streaming of the meeting via YouTube. Meetings are stored so they can be viewed at a later time. Staff gave an overview of the Action Plan process and CDBG funding. The presentation included a review of the FY 2015-2020 Strategic Plan. The presentation also included recommended funding allocations for FY 2019-2020 public service applicants, which were considered by the City Council. Staff reviewed the evaluation process and provided an estimate of available resources. The proposed FY 2019-2020 Action Plan, including public service funding			

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
			recommendations, were presented and approved.			

**Table 4 – Citizen Participation Outreach**

## Expected Resources

### AP-15 Expected Resources – 91.220(c)(1,2)

#### Introduction

In FY 2019-2020, anticipated resources include the entitlement grant in the amount of \$811,815, program income estimated at \$43,250. \$843,250 is expected for the remaining year of the Con Plan period. Estimated at \$800,000 in grant funds and \$43,250 in program income to be received next year. There is an unobligated balance in the line-of-credit of approximately \$5,700. This amount and any unexpended funds will be re-programmed as needed.

#### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	811,815	43,250	5,700	860,765	843,250	The estimated amount of CDBG funds over the 2019-2020 Action Plan period includes \$800,000 in Entitlement Funds, \$43,250 in Program Income received through repayments to the Housing Preservation Program.

Table 5 - Expected Resources – Priority Table

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

The City and HUD share an interest in leveraging HUD resources to the maximum extent feasible in order to address priority needs and associated goals.

During the FY 2019-2020 Action Plan period, the City will seek funds to leverage the federal CDBG funds. City General Fund monies are leveraged with CDBG funds for City-run public services, including the Domestic Violence Victim Advocate program through the Police Department and Careship, which provides a subsidy for childcare to income-eligible residents enrolled in the City's Childcare programs.

Volunteer services and private donations provide additional resources to leverage CDBG funds.

The City will leverage Federal USDA, Older Americans Act, City General Fund, and participant donations to augment funding for CDBG-funded Senior Nutrition Program.

Local funds from Los Angeles County Propositions A and C, as well as Measure R and Measure M, assist the City in removing architectural barriers, providing Dial-A-Ride service, providing a citywide shuttle service, and performing street rehabilitation and other capital improvements.

**If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

The City presently has no land that could be used to address the community's needs. However, the City does explore opportunities to partner with non-profits to address unmet housing needs. The Community and Economic Development Division does post on its webpage an Available Property List for businesses seeking to locate in West Covina.

**Discussion**

See discussions above.

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Improve/upgrade public infrastructure & facilities	2015	2019	Improve/upgrade public facilities and infrastructure	Area benefit neighborhoods	Improve/upgrade public facilities & infrastructure	CDBG: \$555,805	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 12985 Persons Assisted
2	Improve the well-being of low income persons	2015	2019	Non-Homeless Special Needs	City-wide	Public Service Programs	CDBG: \$118,260	Public service activities other than Low/Moderate Income Housing Benefit: 1000 Persons Assisted
3	Achieve fair housing for all	2015	2019	Eliminate housing discrimination	City-wide	Eliminate housing discrimination	CDBG: \$10,000	Public service activities other than Low/Moderate Income Housing Benefit: 100 Persons Assisted
4	Effective grant administration	2015	2019	Effective grant administration	City-wide	Effective grant administration	CDBG: \$171,000	Other: 1 Other

Table 6 – Goals Summary

## Goal Descriptions

<b>1</b>	<b>Goal Name</b>	Improve/upgrade public infrastructure & facilities
	<b>Goal Description</b>	Improve neighborhood public infrastructure: The City will improve public infrastructure in disrepair and ADA improvements in the CDBG area benefit neighborhoods.
<b>2</b>	<b>Goal Name</b>	Improve the well-being of low income persons
	<b>Goal Description</b>	Improve the well-being of low income persons: The City will provide financial support to public service programs.
<b>3</b>	<b>Goal Name</b>	Achieve fair housing for all
	<b>Goal Description</b>	Achieve fair housing for all protected groups: The City will continue to fund a fair housing provider that will investigate housing discrimination complaints and tenant/landlord issues.
<b>4</b>	<b>Goal Name</b>	Effective grant administration
	<b>Goal Description</b>	Grant Administration: The City staff will continue to administer the CDBG program in compliance with HUD regulations.



## Projects

### AP-35 Projects – 91.220(d)

#### Introduction

The City's planned actions include grant administration; providing fair housing services; providing services to low-income persons including the frail elderly; and improving neighborhoods.

#### Projects

#	Project Name
1	Neighborhood Improvement Program
2	Fair Housing
3	Grant Administration
4	Senior Meals Program
5	Domestic Violence Victim Advocate
6	Careship
7	SGV YWCA Senior Citizens Assistance
8	Action Food Pantry
9	SGV YWCA Meals on Wheels
10	ESGV Coalition for the Homeless
11	Project 29:11
12	Cory's Kitchen
13	Assistance League of Covina Valley

**Table 7 - Project Information**

#### **Describe the reasons for allocation priorities and any obstacles to addressing underserved needs**

For FY 2019-2020, the City will receive \$811,815 in CDBG funds from HUD. The City also estimates the receipt of \$43,250 program income. The Business Assistance Program \$325,000 and Housing Preservation Program \$145,935 will be funded by the balances of prior year allocations carried forward. Unexpended funds from the prior year will be evaluated and allocated to projects that contribute to achieving the priority needs and goals established by the 5-Year Strategic Plan and subsequent amendments. The projects are consistent with the citizen input received during the development of the FY 2015-2020 Consolidated Plan and FY 2019-2020 Action Plan. The priorities have been approved by the City Council.

One of the greatest challenges in meeting the underserved needs of low- and moderate-income persons is having limited financial resources. The City will continue to use CDBG funding to support public service agencies that address the special needs of the underserved, including the elderly and frail elderly and

persons belonging to protected classes that have been the victims of housing discrimination.

The City also proactively seeks additional resources to better meet the needs of the underserved.

## AP-38 Project Summary

### Project Summary Information

1	<b>Project Name</b>	Neighborhood Improvement Program
	<b>Target Area</b>	City-wide
	<b>Goals Supported</b>	Improve/upgrade public infrastructure & facilities
	<b>Needs Addressed</b>	Improve deteriorated and deteriorating areas
	<b>Funding</b>	CDBG: \$555,805
	<b>Description</b>	Improvements to eligible neighborhoods and public facilities
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	12,985 seniors
	<b>Location Description</b>	City-wide
	<b>Planned Activities</b>	Senior Center - Replace sliding doors - (\$100,000) Curb Access Ramp Program - (\$100,000)
2	<b>Project Name</b>	Fair Housing
	<b>Target Area</b>	City-wide
	<b>Goals Supported</b>	Achieve fair housing for all
	<b>Needs Addressed</b>	Eliminate housing discrimination
	<b>Funding</b>	CDBG: \$10,000
	<b>Description</b>	The Housing Rights Center will offer West Covina residents services from our four program areas, (1) Discrimination Complaint Investigation, (2) Landlord Tenant Counseling, (3) Education and Outreach, and (4) Legal Services.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	100 low- and moderate-income families
	<b>Location Description</b>	City-wide. Admin office: 3255 Wilshire Blvd #1150, Los Angeles CA

	<b>Planned Activities</b>	The City will contract with the Housing Rights Center to provide fair housing services.
<b>3</b>	<b>Project Name</b>	Grant Administration
	<b>Target Area</b>	City-wide
	<b>Goals Supported</b>	Effective grant administration
	<b>Needs Addressed</b>	Effective grant administration
	<b>Funding</b>	CDBG: \$165,000
	<b>Description</b>	CDBG Program Administration
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	Admin office: 1444 W. Garvey Ave. So., West Covina, CA
	<b>Planned Activities</b>	Funds are used for general management, monitoring, and oversight of the CDBG Program, including the preparation of the Annual Action Plan and CAPER.
<b>4</b>	<b>Project Name</b>	Senior Meals Program
	<b>Target Area</b>	City-wide
	<b>Goals Supported</b>	Improve the well-being of low income persons
	<b>Needs Addressed</b>	Public Service Programs
	<b>Funding</b>	CDBG: \$60,000
	<b>Description</b>	This program serves meals in a congregate setting at the West Covina Senior Center.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	750 low- and moderate income families
	<b>Location Description</b>	2501 E Cortez St, West Covina, CA
	<b>Planned Activities</b>	This program serves meals in a congregate setting at the West Covina Senior Center.
	<b>Project Name</b>	Domestic Violence Victim Advocate

5	<b>Target Area</b>	City-wide
	<b>Goals Supported</b>	Improve the well-being of low income persons
	<b>Needs Addressed</b>	Public Service Programs
	<b>Funding</b>	CDBG: \$20,000
	<b>Description</b>	This program follows up with victims of all domestic violence victim cases in West Covina.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	2,000 low- and moderate income families
	<b>Location Description</b>	City-wide. Admin office: Police Department, 1444 W Garvey Ave S, West Covina, CA
	<b>Planned Activities</b>	This program follows up with victims of all domestic violence victim cases in West Covina.
6	<b>Project Name</b>	Careship
	<b>Target Area</b>	
	<b>Goals Supported</b>	Improve the well-being of low income persons
	<b>Needs Addressed</b>	Public Service Programs
	<b>Funding</b>	CDBG: \$6,000
	<b>Description</b>	This program assists with the cost of childcare.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	8 low- and moderate-income families
	<b>Location Description</b>	Admin office: 1305 E Cameron, West Covina, CA
	<b>Planned Activities</b>	This program assists with the cost of childcare.
7	<b>Project Name</b>	SGV YWCA Senior Citizens Assistance
	<b>Target Area</b>	City-wide
	<b>Goals Supported</b>	Improve the well-being of low income persons
	<b>Needs Addressed</b>	Public Service Programs

	<b>Funding</b>	CDBG: \$7,404
	<b>Description</b>	This program connects seniors with a broad array of services that enable them to stay at their homes for as long as possible.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	60 low- and moderate-income families
	<b>Location Description</b>	City-wide. 2501 E Cortez, West Covina, CA. Admin office: 943 N Grand Ave, Covina, CA
	<b>Planned Activities</b>	Access to services such as transportation, case management, information and assistance, in-home and other services.
<b>8</b>	<b>Project Name</b>	Action Food Pantry
	<b>Target Area</b>	City-wide
	<b>Goals Supported</b>	Improve the well-being of low income persons
	<b>Needs Addressed</b>	Public Service Programs
	<b>Funding</b>	CDBG: \$7,000
	<b>Description</b>	The program is comprised of a food bank which strives to relieve hunger.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	583 low- and moderate-income families
	<b>Location Description</b>	17880 W Covina Blvd, Covina, CA
	<b>Planned Activities</b>	The Pantry provides groceries, which are both purchased and donated. Volunteers pick up, unload, and sort the food into nutritionally balanced packages. Seniors and disabled persons receive food twice a month, the homeless once a week and other families once a month.
<b>9</b>	<b>Project Name</b>	SGV YWCA Meals on Wheels
	<b>Target Area</b>	City-wide
	<b>Goals Supported</b>	Improve the well-being of low income persons
	<b>Needs Addressed</b>	Public Service Programs

	<b>Funding</b>	CDBG: \$5,000
	<b>Description</b>	Meals are delivered to homebound seniors.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	30 low- and moderate-income families
	<b>Location Description</b>	City-wide, north of I10 Freeway. Admin office: 943 N Grand Ave, Covina, CA
	<b>Planned Activities</b>	Meals are delivered to homebound seniors.
<b>10</b>	<b>Project Name</b>	ESGV Coalition for the Homeless
	<b>Target Area</b>	City-wide
	<b>Goals Supported</b>	Improve the well-being of low income persons
	<b>Needs Addressed</b>	Public Service Programs
	<b>Funding</b>	CDBG: \$4,686
	<b>Description</b>	Emergency assistance provided to homeless persons.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	300 low- and moderate-income families
	<b>Location Description</b>	1345 Turnbull Canyon Rd, Hacienda Heights, CA
	<b>Planned Activities</b>	ESGVCH operates the Emergency Assistance Center which provides walk-in emergency services to homeless and at-risk homeless individuals and families.
<b>11</b>	<b>Project Name</b>	Project 29:11
	<b>Target Area</b>	City-wide
	<b>Goals Supported</b>	Improve the well-being of low income persons
	<b>Needs Addressed</b>	Public Service Programs
	<b>Funding</b>	CDBG: \$4,160
	<b>Description</b>	Funds will support the food bank operation of the program.
	<b>Target Date</b>	6/30/2020

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1,600 low- and moderate-income families
	<b>Location Description</b>	250 E San Bernardino Rd, Covina, CA
	<b>Planned Activities</b>	Funds will be used to support the food bank program of the Economic Relief Center.
<b>12</b>	<b>Project Name</b>	Cory's Kitchen
	<b>Target Area</b>	City-wide
	<b>Goals Supported</b>	Improve the well-being of low income persons
	<b>Needs Addressed</b>	Public Service Programs
	<b>Funding</b>	CDBG: \$4,260
	<b>Description</b>	Funds will be used to support the food bank
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1,390 low- and moderate-income families
	<b>Location Description</b>	1418 Arrow Hwy, Irwindale, CA
	<b>Planned Activities</b>	Funding will support the food bank activity of the organization.
<b>13</b>	<b>Project Name</b>	Assistance League of Covina Valley
	<b>Target Area</b>	City-wide
	<b>Goals Supported</b>	Improve the well-being of low income persons
	<b>Needs Addressed</b>	Public Service Programs
	<b>Funding</b>	CDBG: \$1,460
	<b>Description</b>	The program will provide school clothing, shoes and supplies to children and young people from low income families so they can attend school regularly
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	251 low- and moderate-income families



	<b>Location Description</b>	636 E San Bernardino Rd, Covina, CA
	<b>Planned Activities</b>	The program will provide school clothing, shoes and supplies to children and young people from low income families so they can attend school regularly.

## **AP-50 Geographic Distribution – 91.220(f)**

### **Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed**

West Covina has two distinct geographic areas: City-wide and Area Benefit Neighborhoods.

CDBG investment for Fair Housing and Public Service Programs is made on a city-wide basis.

In prior years, CDBG investment for the Neighborhood Improvement Program has mostly been made in Area Benefit Neighborhoods; that is, in block groups where 51% or more of the population have low- and moderate-incomes. Based on the most recent data, the City has 21 block groups with 51% or more the population having low/moderate incomes. Please see Exhibit 1, which is attached to this report, for a map that highlights these areas.

In FY 2019-2020, there are two activities under the Neighborhood Improvement Program: Curb Access Ramp Program (\$100,000) and Replacement of Sliding Doors at Senior Center (\$100,000). Because the Center predominately serves a limited clientele - the elderly - on a City-wide basis, for the purpose of geographic distribution, the activities will be considered under the City-wide basis. Similarly, the installation of ramps will occur on a City-wide, as-needed basis.

The percentages below are based on proposed current year funding.

Amendments may occur during the program year that will redistribute funds to activities on an area benefit basis.

### **Geographic Distribution**

<b>Target Area</b>	<b>Percentage of Funds</b>
Deteriorated and deteriorating areas	0
Area benefit neighborhoods	0
City-wide	100

**Table 8 - Geographic Distribution**

### **Rationale for the priorities for allocating investments geographically**

CDBG-eligible area benefit neighborhoods, within which area benefit basis projects are eligible are highlighted on Exhibit 1, which is attached to this report. Public services and Fair Housing are available

on a city-wide basis to low- and moderate-income persons. Eligible block groups are listed below.

Tract	Block Group
405301	1
405301	2
405302	2
405500	2
405500	3
406200	1
406200	2
406200	3
406500	5
406602	2
406602	4
406701	1
406701	3
406702	1
406702	2
406702	3
406800	1
406800	3
408004	1
408133	2
408137	2
408141	1

## **Discussion**

See discussion above.

## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

#### Introduction

Section 8 provides rental assistance to 574 families through programs administered by the Housing Authority of the County of Los Angeles (470) and Baldwin Park Housing Authority (104).

Of the 574 families, 470 are disabled or elderly. There are 503 families on the Section 8 Waiting List of the two housing authorities.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	0
Special-Needs	0
Total	0

**Table 9 - One Year Goals for Affordable Housing by Support Requirement**

One Year Goals for the Number of Households Supported Through	
Rental Assistance	574
The Production of New Units	0
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	574

**Table 10 - One Year Goals for Affordable Housing by Support Type**

#### Discussion

See discussion above.

## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

The City does not have public housing; however, the Housing Authority of the County of Los Angeles and the Baldwin Park Housing Authority administer the Section 8 Housing Choice Voucher program within West Covina. There are currently 574 West Covina families receiving Section 8 rental assistance and approximately 503 more residents on the waiting list. The amount of time spent on the waiting list often varies and can be as long as several years

### **Actions planned during the next year to address the needs to public housing**

Not applicable to the City of West Covina.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership**

Not applicable to the City of West Covina. The Housing Authority of the County of Los Angeles encourages the participation of public housing residents through Resident Councils. The role of a Resident Council (RC) is to improve the quality of life and resident satisfaction in self-help initiatives to enable residents to create a positive living environment for individuals and families living in public housing. The Baldwin Park Housing Authority (BPHA) owns and administers Mc Neil Manor, a “project-based public housing unit. Mc Neil Manor is a 12-unit low-income senior (62 years or older) housing development.

### **If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

The Housing Authority of the County of Los Angeles is not a troubled PHA. HACoLA has officially achieved "High Performer" status under HUD's Section 8 Management Assessment Program (SEMAP); therefore, is not designated as a "troubled" agency. Units are inspected, repaired, and maintained on a regular basis.

### **Discussion**

The Housing Authorities have prepared five-year Strategic Plans and an Annual Plans. The Plans guide the actions of the Housing Authority in addressing the needs of extremely low and very low income families and include goals to increase the supply of affordable housing, promote self-sufficiency and asset development, ensure equal opportunity and affirmatively further fair housing, and in achieving consistency with each jurisdiction's Consolidated Plan. The City will continue to monitor the Housing Authority's Plans and provide input as it pertains to West Covina residents in an effort to increase the supply of affordable housing.

## **AP-65 Homeless and Other Special Needs Activities – 91.220(i)**

### **Introduction**

The City plans to allocate CDBG public service funds to agencies that address the needs of the homeless such as emergency/transitional shelter, food insecurity and other basic needs. For the past several years, the City of West Covina has partnered with the Los Angeles Homeless Services Authority (LAHSA) to host and participate in the County-wide Homeless Count to better understand the number of homeless in our community as well as the region. In 2018, 277 unsheltered homeless persons were counted, up from the 158 counted in 2017 and the 48 counted in 2016. The results of the 2019 count are unavailable as of the writing of this report.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

#### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

In October 2017, the City was awarded \$50,000, through the County of Los Angeles, to produce a Homeless Plan. This Plan is a comprehensive assessment of homelessness in the local jurisdiction, assessing the resources currently available to address the challenge, and identifying opportunities for the City, neighboring Cities, and the County to collaborate in the implementation of identified strategies to combat homelessness. The Plan was submitted to the County in July 2018. The City expects to seek funding for homeless services as monies from the County of Los Angeles's Measure H becomes available.

In late 2018, the County of Los Angeles put out a Request for Proposals for Homelessness Plan Implementation Grants. The City submitted a proposal, which was denied. However, a proposal the City submitted collaboratively with the Cities of Covina, Duarte, Azusa, and Glendora, through grants writers funded by the San Gabriel Valley Council of Governments, was awarded. The proposal was to fund a full-time case management supervisor and 4 full-time case managers that would be co-located in the different Cities. They will partner with law enforcement and other outreach efforts and will work with landlords and people experiencing homelessness to find housing options based on client needs. They will coordinate regional outreach, work as a group on outreach efforts in individual cities, and provide staffing to other special projects. The award was for a total of \$343,250 with Cities matching a total of \$291,280. The funding is to cover an 18-month period. At this time, the project is in the early stage of the Cities contracting with the County.

Relative to outreach, the City is currently a member of the Police Department Program's Mental Evaluation Team (MET) which is comprised of four (4) cities: Azusa, Covina, Glendora, and West Covina, which provide mental health services to homeless in each of our communities. One day per week, a mental health professional is dedicated to the City of West Covina to assist individuals throughout the

community that have been displaced temporarily or are permanently homeless.

The City funds a bike patrol of two police officers for homeless outreach. In addition to the parks-related duties, this new team will be the first responders to homeless calls, and will also be proactive by seeking contacts with the homeless (building trust relationships, which can help deescalate crisis situations and help individuals to accept social services). The two new Police Officer positions will receive specialized training in crisis communication, social services, etc., and will be connected to the local and regional social service network, expanding upon longstanding partnerships that the City of West Covina has with other agencies, hospitals, churches, etc. This teams' target population will be primarily street level and sheltered homeless, as well as those in need of mental health services. This new team's work will be supplemented by an existing partnership with Los Angeles County, who assigns a County Mental Health Clinician to our area, rotating among cities regionally. Police Officers will focus a portion of their time at City parks and in the community to provide outreach to those homeless individuals in need of supportive services. In addition, they will enforce park operating hours, and be able to mitigate illegal activity in the parks.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

As part of its commitment to being a partner with County of Los Angeles Homeless Initiative, the City has collaborated with the County to help homeless families/individuals/youth with low-to-moderate housing barriers to be quickly re-housed and stabilized in permanent housing. Rapid re-housing connects homeless individuals and families, as well as vulnerable sub-populations such as older adults, to permanent housing through the provision of time-limited financial assistance, case management and targeted supportive services, and housing identification/navigation supports. Cost of \$500/month per homeless individual or family. The City has contributed \$50,000 of its housing funds to the Rapid Re-housing effort.

The City provides CDBG funds to the East San Gabriel Valley Coalition for the Homeless. This agency provides advocacy, motel vouchers, gas vouchers, hot meals, showers, lunches, clothing, travel needs, rehabilitation and mental health placements, Winter Shelter, mail and message service and refers clients to partner agencies for further assistance. Up until recently, the Coalition has administered a transitional housing program. The program was discontinued early this year due to lack of funding.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The YWCA – WINGS Women's Shelter is located in West Covina. It is a 32-bed shelter for battered women

and their children.

The City of West Covina is not a direct provider of homeless services. It does refer homeless persons to emergency shelters, transitional housing and supportive housing operated by public and private agencies located near the city. The City also amended the Zoning Code to indicate the where emergency shelters may be located by right.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.**

The City of West Covina does not receive funding from the Federal sources that require the implementation of supportive housing programs for persons returning from mental and physical health institutions. The City does not receive funds from sources that require the development and implementation of a Discharge Coordination Policy. However, the City has knowledge of the County's discharge coordination policies.

Los Angeles County Department of Mental Health (DMH) regulations require the discharge planning process for Acute Care Hospitals, State Mental Hospitals, and Institutions for Mental Disease programs must address all the individual needs of homeless clients at treatment initiation. Housing resources on discharge include: independent living with rental assistance, family reunification, living with roommates, PSH, and nursing homes.

California law requires hospitals/regional hospital associations to have protocols for homeless patients. The Hospital Association of Southern California, National Health Foundation, and Illumination Foundation's Recuperative Care Program must provide post-hospital healthcare services to homeless patients moving from acute care. Services include housing location assistance, residential medical and social support.

Los Angeles County Department of Health Services (DHS) regulations require health care facilities to provide appropriate housing location and supportive services to avoid discharge into homelessness. Programs include: the Recuperative Care Program, nursing facilities, board and care, family reunification, permanent supportive housing (PSH), and affordable housing. DHS also funds 24/7 ES medical services



where Case Managers work with patients to obtain housing, services, and benefits.

### **Discussion**

See discussions above.

## **AP-75 Barriers to affordable housing – 91.220(j)**

### **Introduction:**

The City's adopted 2014-2021 Housing Element describes constraints and barriers to maintenance, development and preservation of affordable housing.

**Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

The 2014-2021 Housing Element recommended the following actions to mitigate the barriers to affordable housing:

- Annually review development standards to ensure that the development of lower income housing can occur. Revise the development code to address all constraints identified in Section 6 of the Housing Element.

In addition, the City has adopted the following on-going policy:

- Continue to use flexible development standards to facilitate the development of affordable housing through promotion of maximum development densities in the multi-family zone and the mixed-use overlay.

If an affordable housing development is proposed during the Program Year, the City will implement, if appropriate, the following policies:

- Reduced parking for senior and affordable housing development and by permitting modified housing unit sizes

Fee exemptions and reductions for second dwelling units, affordable housing and senior housing

### **Discussion:**

In April of each year, the City transmits an Annual Housing Element Progress Report to the State Department of Housing and Community Development. The Report describes all the actions taken to implement the programs included in the adopted Housing Element.

## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

The following narratives describe the actions the City will undertake in FY 2019-2020 to address underserved needs, foster and maintain affordable housing, reduce lead-based paint, reduce the number of poverty-level families, develop the institutional structure, and enhance coordination between public and private housing and social service agencies

### **Actions planned to address obstacles to meeting underserved needs**

The City will continue to use CDBG funding to support public service agencies that address the special needs of the underserved, including the elderly and frail elderly and persons belonging to protected classes that have been the victims of housing discrimination.

### **Actions planned to foster and maintain affordable housing**

The City's housing stock contains four affordable multifamily projects and five affordable senior projects. These units should be monitored and discussions with the property managers and/or owners should occur to address the development's long-term affordability status. The following actions will be taken:

- Monitor the affordable housing projects to ensure compliance with rent restrictions
- Maintain a list of the affordable housing inventory

### **Actions planned to reduce lead-based paint hazards**

To increase an awareness of lead based paint hazards, the City will notify applicants to the Home Preservation Loan Program to the dangers of lead based paint hazards posts information through distribution of an informational pamphlet and required testing on rehabilitation projects where paint may be disturbed. The City will also post links on its website alerting homebuyers and renters to the dangers of lead based paint hazards.

### **Actions planned to reduce the number of poverty-level families**

The City will carry out the following anti-poverty actions in coordination with its affordable housing plan:

- The City will continue to support the Section 8 Housing Choice Voucher Program and public housing units located within the community.
- The City will coordinate with the Housing Authority of the County of Los Angeles and Baldwin Park Housing Authority to increase the number of families that receive rental assistance.
- The City will work with the Housing Authorities to encourage families receiving Section 8 rental assistance to participate and graduate from the Family Self-Sufficiency Program (FSS). The City

will periodically request information from the Housing Authority on FSS participation and graduation levels.

The City will provide funding for child care services. Access to child care is a policy that contributes to helping the working poor to make ends meet and avoid poverty.

### **Actions planned to develop institutional structure**

The Public Services Department, Community Development Department, and Police Department are the key departments involved in the Consolidated Plan and Action Plan process. The Public Services and Community Development Departments are responsible for capital improvements to facilities (i.e., senior center, parks, streets). The Police Department is responsible for code enforcement/community enhancement.

To strengthen internal coordination and timeliness of expenditures, the Public Services Department meets quarterly with the Community Development Department and Finance Department. The purpose of the meetings is to strengthen the delivery of programs and services in neighborhoods so that there are tangible physical and quality of life benefits resulting from the expenditure of CDBG and other funds.

The City also coordinates on a regular basis with the following housing providers:

- County of Los Angeles Housing Authority (Section 8)
- City of Baldwin Park Housing Authority (Section 8)
- Community and Economic Development Department (Housing Rehabilitation/Preservation)
- Housing Rights Center (Fair Housing)

City activities include: collection of information regarding clients served, geographic distribution of clients served, and review and comment on Public Housing Agency Plans.

Coordination with health providers involves the periodic collection of lead-based incident statistics from the County of Los Angeles, Department of Health Services, Childhood Lead Poisoning Prevention Program. In addition, the City will continue to obtain information from the Los Angeles County Department of Health Services, Office of AIDS Programs and Policy.

Coordination with social service agencies is accomplished through the CDBG public service programs. This involves a notice of funding availability, evaluation of applications submitted including needs to be addressed, and monitoring and performance evaluation of funded social service agencies.

To strengthen the institutional structure for carrying out its Consolidated Plan and Action Plan, the City will strengthen the working relationship by providing input to and coordinating with the County of Los Angeles Housing Authority and Baldwin Park Housing Authority. Efforts to strengthen the institutional

structure involve review of the five-year and annual plans of each authority.

### **Actions planned to enhance coordination between public and private housing and social service agencies**

During Program Year 5, the City will continue its coordination efforts with:

- Los Angeles County Homeless Services Authority (LAHSA)
- Southern California Association of Governments (SCAG)
- San Gabriel Valley Council of Governments (SGVCOG)
- San Gabriel Valley Consortium on Homelessness
- Baldwin Park Housing Authority
- County of Los Angeles Housing Authority

In January 2018, LAHSA conducted a homeless count. 277 unsheltered homeless persons were counted in West Covina, up from the 158 counted in 2017. SCAG is updating the population, household and employment forecasts. As the City's General Plan Update takes shape, information will be transmitted to SCAG. As of the writing of this report, the numbers from the 2019 Count are unavailable.

The City will continue to participate in the meetings and task forces of the SGVCOG and the San Gabriel Valley Consortium on Homelessness.

The City will review the Annual Plans of the two Housing Authorities and provide input as appropriate.

### **Discussion:**

Refer to the above narratives.

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

#### Introduction:

The following describes other program-specific requirements.

Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan: FY 2019-2020.

#### Community Development Block Grant Program (CDBG)

##### Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>0</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	70
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	70.00%

Refer to above analysis.

# San Gabriel Valley Tribune

Affiliated with SGV Newspaper Group  
605 E. Huntington Dr., Suite 100  
Monrovia, CA 91016  
626-962-8811 ext. 40891

5007875

CITY OF WEST COVINA  
ATTN: ACCOUNTS PAYABLE  
1444 WEST GARVEY AVE  
WEST COVINA, CA 91790

**FILE NO. FY 19-20Pre-Development 19-02-19P**

## PROOF OF PUBLICATION (2015.5 C.C.P.)

### STATE OF CALIFORNIA County of Los Angeles

I am a citizen of the United States, and a resident of the county aforesaid. I am over the age of eighteen years and not a party to or interested in the above-entitled matter. I am the principal clerk of the printer of SAN GABRIEL VALLEY TRIBUNE, a newspaper of general circulation for the City of West Covina, by the Superior Court of the County of Los Angeles, State of California, on the date of September 10, 1957, Case Number 684891. The notice, of which the annexed is a true printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

**02/08/2019**

I declare under the penalty of perjury that the foregoing is true and correct.

Executed at Monrovia, LA Co. California  
On this 8th day of February, 2019.



Signature

(Space below for use of County Clerk Only)

Legal No. **0011232829**

**CITY OF WEST COVINA  
NOTICE OF PUBLIC HEARING**

Concerning proposed recommendations for the development of the City of West Covina's draft FY 2019-2020 Action Plan for the City's Community Development Block Grant (CDBG) program.

**YOU ARE INVITED** – All interested citizens and agencies are invited to attend a public hearing on Tuesday, February 19, 2019 at 7:00 p.m., in the City Council Chambers at 1444 West Garvey Avenue South in West Covina to comment on proposed recommendations for the FY 2019-2020 CDBG Action Plan, which will guide the City's use of CDBG funds for the next fiscal year. This public hearing is scheduled pursuant to the City's adopted Citizen Participation Plan, a requirement of U.S. Department of Housing and Urban Development (HUD), which requires two public hearings to be held during the development of the Action Plan for the purpose of receiving public comment and input. A second public hearing will be held at the time of approval of the Action Plan.

**ACTION PLAN SUMMARY** – The Action Plan, which describes programs and projects, sets goals for the City, describes program projects, and describes activities to be undertaken during the fiscal year and addresses the use of CDBG funds for the purposes of meeting the goals of providing decent housing, a suitable living environment and expanded economic opportunities, principally for low and moderate income persons. The purpose of this hearing is to provide an opportunity for citizen input relative to the identification and prioritization of community needs that may be addressed with CDBG funds in FY 2019-2020.

HUD requires grantees to consider and prioritize categories of need as a basis for the document. The City's FY 2015-2020 CDBG Consolidated Plan, a strategic and visioning document, which guides the use of CDBG funds over the 5-year period, was approved by the City Council on May 5, 2015. The table below summarizes the needs and priorities approved by the City Council on March 2, 2015 and subsequently amended in July 7, 2015, April 5, 2016, and March 20, 2018, that have been basis for the Consolidated Plan to this point in the cycle.

City of West Covina  
FY 2015-2020 CDBG Consolidated Plan Priorities

Categories of Need	Priority Level
Economic Development	High
Homeless/HIV/AIDS	High
Infrastructure Improvements	High
Owner-Occupied Housing	High
Public Facilities	High
Non-Homeless Special Needs	Medium
Public Services	Medium
Rental Housing	Low

Public comment may be made at the Public Hearing scheduled for Tuesday, February 19, 2019 at 7:00 p.m. in City Council Chambers at 1444 West Garvey Avenue South in West Covina.

Questions concerning this notice can be referred to Kelly McDonald, Public Services Manager, City of West Covina Community Services Department (626) 939-8494.

**Pub:San Gabriel Valley Tribune, Feb 8,2019, AD#11232829**



# San Gabriel Valley Tribune

Affiliated with SGV Newspaper Group  
605 E. Huntington Dr., Suite 100  
Monrovia, CA 91016  
626-962-8811 ext. 40891

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CITY OF WEST COVINA  
ATTN: ACCOUNTS PAYABLE  
1444 WEST GARVEY AVE  
WEST COVINA, CA 91790

## PROOF OF PUBLICATION (2015.5 C.C.P.)

### STATE OF CALIFORNIA County of Los Angeles

I am a citizen of the United States, and a resident of the county aforesaid. I am over the age of eighteen years and not a party to or interested in the above-entitled matter. I am the principal clerk of the printer of SAN GABRIEL VALLEY TRIBUNE, a newspaper of general circulation for the City of West Covina, by the Superior Court of the County of Los Angeles, State of California, on the date of September 10, 1957, Case Number 684891. The notice, of which the annexed is a true printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

**05/03/2019**

I declare under the penalty of perjury that the foregoing is true and correct.

Executed at Monrovia, LA Co. California  
On this 8th day of May, 2019.



Signature

(Space below for use of County Clerk Only)

Legal No. **0011266677**

**NOTICE OF 30-DAY PUBLIC REVIEW  
FOR THE CITY OF WEST COVINA'S  
PROPOSED FY 2019-2020  
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ACTION PLAN**

NOTICE IS HEREBY GIVEN that the City of West Covina has prepared its proposed FY 2019-2020 CDBG Action Plan.

The publication of this notice is the beginning of the 30-day public review period required under Federal Regulation 24 CFR 91.105(b)(2). The public review and written comment period begins May 3, 2019 and ends June 3, 2019.

NOTICE IS HEREBY FURTHER GIVEN that the proposed FY 2019-2020 CDBG Action Plan is to be presented to the City Council for approval at a Public Hearing on the following date:

DATE: June 4, 2019  
LOCATION: 1444 West Garvey, West Covina,  
California 91790  
City Council Chambers  
TIME: 7:00 PM

At this Public Hearing, the City Council will receive public comment on the proposed FY 2019-2020 CDBG Action Plan; consider written and oral comments; and authorize staff to transmit the Action Plan to the U.S. Department of Housing and Urban Development (HUD).

**BACKGROUND**

The City annually receives federal CDBG funds. To receive these funds, the City is required to prepare an annual CDBG Action Plan that describes how the funds will be used to meet its long term community development needs.

**FY 2019-2020 CDBG ACTION PLAN**

For the fiscal year beginning July 1, 2019 and ending June 30, 2020, the City will receive \$811,815 from HUD. The City also estimates to receive \$33,815 in program income through home rehabilitation loan repayments.

The City proposes the utilization of granted CDBG funds along with estimated program income to be received to implement the projects listed below:

<b>Proposed Funding</b>	<b>Project</b>
\$ 549,660	Neighborhood Improvement Program (i.e., improvements to public facilities, streets, parks, etc.)
169,126	Planning and Administration
126,844	Public Services
<b>\$ 845,630</b>	<b>Total</b>

**Public Service Activities:** For FY 2019-2020, eleven (11) public service providers submitted applications requesting a total of \$172,000, as shown below. City staff estimates \$126,844 in funding resources will be available.

<b>Requested Funding</b>	<b>Public Service Activity</b>
\$ 60,000	Senior Meals Program
20,000	Domestic Violence Victim Advocate
20,000	Action Food Pantry
17,000	SGV YWCA – Senior Citizens Assistance Program
10,000	Project 29:11
10,000	Housing Rights Center
10,000	ESGV Coalition for the Homeless
8,000	Assistance League of Covina Valley
6,000	Cory's Kitchen
6,000	Careship
5,000	SGV YWCA – Meals on Wheels
<b>\$ 172,000</b>	<b>Total</b>

**PUBLIC COMMENT**

Copies of the latest drafts will be available for public review at the following locations:

- The County of Los Angeles Library, West Covina Branch at 1601 West Covina Parkway, West Covina, 91790
- West Covina City Hall at 1444 West Garvey Ave., 91790, in the following offices:
  - City Clerk's Office, Room 317
  - The West Covina Police Department, which is Located at City Hall

The Public is encouraged to submit written comments on the proposed FY 2019-2020 CDBG Action Plan. All comments are to be submitted to the Public Services Department by June 4, 2019.

Questions and written comments may be addressed to: Kelly McDonald, Public Services Manager, Public Services Department, 1444 West Garvey Ave., West Covina, CA 91790 (626) 939-8494

**PUBLISH: SAN GABRIEL VALLEY TRIBUNE, MAY 3, 2019 AD #11266677**

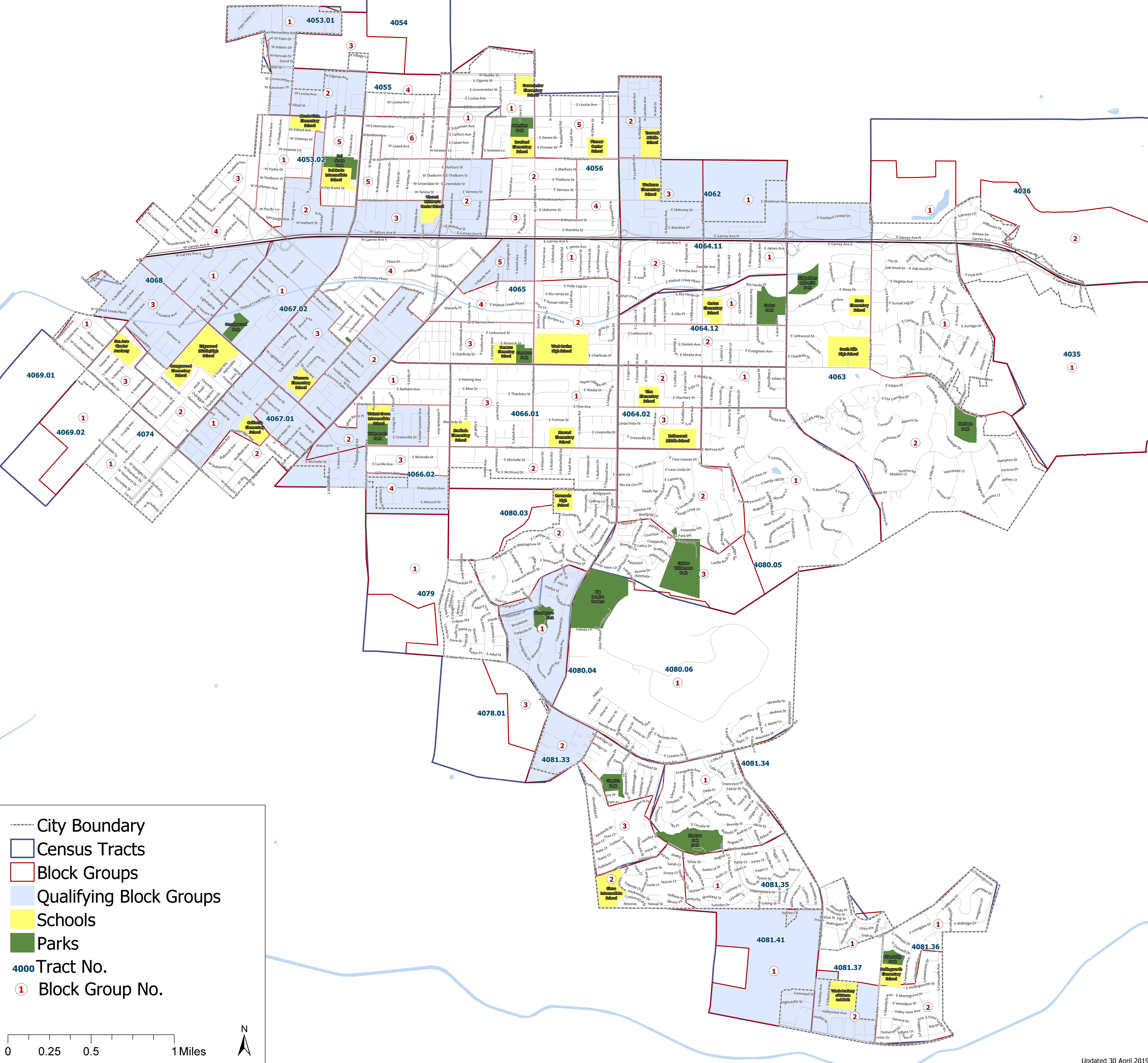


# City of West Covina

## CDBG Project Areas

### Block Groups

EXHIBIT NO. 1





**Descriptions of Categories of Need in Table 1,  
City of West Covina FY 2015-2020 Consolidated Plan Priorities**

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This attachment describes the Categories of Need shown in Table 1 of the staff report.

1. Economic Development: Activities to address these needs will be funded by the Community & Economic Development (CED) non-housing funds. CED activities and the new Business Assistance Program will address this category of need.
2. Infrastructure Improvements: Improvements such as street rehabilitation and replacement of curbs and gutters will be funded during the Consolidated Plan cycle. (For example, projects may include street improvements.)
3. Owner-Occupied Housing: Owner housing needs will be addressed by the Housing Preservation Program (HPP).
4. Public Facilities: Public facilities may be funded during the Consolidated Plan cycle – 2015 to 2020. (For example, projects may include: accessibility improvement or parks and recreation facilities and youth centers.)
5. Homeless/HIV/AIDS: The allocation of CDBG funds to public services can address a portion of these needs.
6. Non-Homeless Special Needs: The allocation of CDBG funds to public services can address a portion of the non-homeless needs. (Non-homeless special needs populations include: the elderly, disabled, homebound, and mentally ill).
7. Public Services: A high priority was assigned to public services because CDBG funds can help to address the needs of the elderly, frail elderly, youth and other low/moderate income populations. These needs can be addressed by the 15% allocation of CDBG funds to public services. (For example, public services may include: youth services, transportation services, and crime awareness.)
8. Rental Housing: Rental housing needs are addressed by the Section 8 rental assistance program and the affordable housing developments funded by the CED Low and Moderate Income Housing Fund.

**FY 2019-2020 CDBG PUBLIC SERVICE PROJECT APPLICANT  
DESCRIPTIONS**

**Note:** Descriptions shown in *italics* were taken from the applications of the respective service providers in which they respond to the question, “Describe your program (purpose, goal, etc.).”

1. **Senior Meals Program - City of West Covina:** *The senior meals program serves meals in a congregate setting at the West Covina Senior Center 5 days a week. Meals served under the program must provide at least 1/3 of the recommended dietary allowances. Staff meets on a monthly basis with a County dietician to ensure this objective is met for participants. The seniors are receiving an estimated 40-50% of required nutrients from the meals provided by the program. Annually, the program serves over 35,000 meals to the seniors in the community. The program provides these meals to seniors at a suggested donation of \$2.00. Participants are encouraged to donate what they can regardless of the amount. In previous years, the program has been recognized by the Los Angeles County Local Area on Aging as a distinguished site recipient.*
2. **Domestic Violence Victim Advocate – West Covina Police Department:** *The City's Victim Advocate is partially funded from CDBG, and is responsible for following up with victims of all domestic violence cases that occur in West Covina, as well as some other crimes involving children and domestic situations. The Victim Advocate guides domestic violence victims through the criminal justice and social service networks. An independent evaluation conducted by Cal State Los Angeles validated the work, citing this as the most useful service offered to domestic violence victims at the Police Department. The Victim Advocate serves as the liaison to County Adult Protective Services, the Domestic Violence Council, and other agencies and service networks. This project is a public service eligible for CDBG funding under 24 CFR §570.201(e). Service amounts vary somewhat from year to year due to crime trends (beyond the Police Department's control).*
3. **Careship - City of West Covina:** *The Careship program's primary purpose is to assist moderate to low-income West Covina residents who are working or attending school with the cost of childcare. Only children of West Covina residents enrolled full-time in a licensed childcare facility will be considered for the program. The number of participants is limited to two per family for a maximum of two years. A new and separate Application is required prior to each session plus the backup documentation.*
4. **Housing Rights Center:** *Since the establishment of the Federal Fair Housing Act in 1968, promoting equal access to housing has been a priority for the federal, state, and local governments. The Housing Rights Center ("HRC") proposes to further these interests by providing the City of West Covina with fair housing and landlord/tenant services. Through the Fair Housing Program, the HRC will actively support and promote freedom of residence to the end that all West Covina residents have the opportunity to secure the housing they desire and*

*can afford, without discrimination based on their race, color, religion, gender, sexual orientation, national origin, familial status, marital status, disability, ancestry, age, source of income or other characteristics protected by law. A component of this program includes addressing problems that arise between landlords and tenants, (e.g., payment of rent, lease agreements, and habitability), which are often intertwined with issues of discrimination. HRC will offer West Covina residents services from our four program areas, (1) Discrimination Complaint Investigation, (2) Landlord/Tenant Counseling, (3) Education and Outreach, and (4) Legal Services.*

- 5. Action Food Pantry:** *ACTION Food Pantry's purpose is hunger relief. Our goal is to provide food for the increasing number of needy in our community. Volunteers pick up, unload, and sort the food into nutritionally balanced packages and distribute the food. Over 100 families are served each week. Proof of income and residency is requested. Clients are registered and their visits are recorded. ACTION actively seeks monetary and food donations to supplement grant funds. Unlike some organizations who have time limits, we allow our clients to participate in the program as long as food is needed. We are now open Monday evenings from 4pm to 7pm and Thursdays from 10am to 1pm. We are also on call 24 hours a day, seven days a week in case of emergencies. Seniors and disabled clients can receive food twice a month, homeless once a week, and low-income families once a month. The ACTION Food Pantry primarily concentrates on food distribution from our facility and also through other small food banks in the San Gabriel Valley. We also provide clothes, books, and miscellaneous items that have been donated to us. These other items are available to all our clients.*
- 6. ESGV Coalition for the Homeless - Emergency Food and Shelter:** *The East San Gabriel Valley Coalition for the Homeless (ESGVCH) is a non-profit 501(c)3 charitable organization, incorporated since 1994, which operates under a voluntary Board of Directors to directly aid people experiencing homelessness. ESGVCH believes that all are called to turn attention beyond themselves to assist those who suffer especially the poor, the hungry, and the homeless. It is, our mission to bring hope and restore dignity to those in need by providing shelter, alleviating hunger, assisting with basic daily needs assisting to regain housing, raising community awareness, and by working collaboratively with others to end hunger and homelessness. ESGVCH operates the Emergency Assistance Center (EAC) in providing walk-in emergency services to families and/or vulnerable individuals without home or homeless. The Center is located in Hacienda Heights and is open daily, Monday through Friday, during the hours of 8:30 a.m. to 1:30 p.m. Each day EAC staff provides hot meals, lunch-to-go, clothing, hygiene kits, bus tokens, Foothill Transit passes, emergency shelter (motel voucher program) assistance, and referral services for those in need. The EAC also operates the Bridge Program, which provides longer-term emergency shelter in the form of motel vouchers to homeless families. While in the Bridge Program, clients are provided with the guidance they need to obtain their own permanent housing. A case manager works with the families in address areas that require immediate change. For example, if an adult in the family does not have a job, the Bridge Program case manager helps him/her with job hunting, assists the parents with obtaining childcare, etc. The case manager also assists the families with money*

management by looking at the family's monthly expenses and designing a plan to decrease debt.

7. **Project 29:11: Foodbank-** Opened Tuesdays and Fridays. Clients may receive food once a month. The food that is distributed many include, but not limited to fresh produce and/or vegetables, a variety of dairy products, pastries and breads and assorted meats. The amount of food is based upon the number of people in the household. Our records show we were able to distribute over 714,453 pounds of food to feed over 18,588 people. We were able to distribute an average or more of 36 pounds of food per client. **Clothing Rack-** This past year we were able to expand and redecorate the Clothing Rack This enables us to double the space to put more racks to hang the clothes. We have clothes for infants, children, teens, and adults. During this past year we were able to provide clothing for over 5,960 clients. **Turkey Giveaway-** Each year, on the Monday and the Tuesday before Thanksgiving, we give a turkey along with a bag of food to complete the Thanksgiving dinner. This past year were able to give out 355 turkeys and a bag of food with each turkey. **Community Christmas Party-** This is our community outreach we do each year. We not only provide a gift for each child that comes but we also serve a hot breakfast and each family receives a large bag of food. We hope the resources we provide will give our clients the opportunity to use their monies for rent and/or utilities to help keep a roof over their heads.
8. **Assistance League of Covina Valley:** Operation School Bell is the core philanthropic program for the National Assistance League. The purpose of the program is to provide new school clothing, shoes, and school supplies to economically disadvantaged children and young people to enable them to attend school regularly and perform better academically. Studies show that students who are dressed appropriately are more confident, are less likely to drop out of school, and tend to seek post-secondary education more often. Underserved students are qualified and referred to ALCV by school administrators and counselors. Elementary school children are dressed at our facility in Covina by one of our volunteers members. The dressing area is outfitted with private dressing rooms where students may try on clothing, and with storage rooms which are well stocked with new clothing and shoes. Inventory is tracked by computer to ensure that an amply supply of each item, in a large variety of sizes, is available. Documentation, which includes name, school, grade, gender, income levels, ethnicity and clothing items and sizes for the student served, is retained in our files. Each child receives one-on-one attention from an ALCV member who fits the chld with two polo shirts, a pair of pants, a pair of shorts, shoes, six pairs of socks, six pairs of underwear, a warm sweatshirt, a backpack with school supplies, a book, a stuffed animal and a family hygiene kit. In addition, each child's family is given a voucher with which to select good quality used jackets, sweaters, gloves, scarves and other items from our adjacent Thrift Store.
9. **Cory's Kitchen:** Cory's Kitchen, Inc. has been in operation for over 20 years and served thousands of families with food, resource counseling and emotional support. Our goal is simple: Providing emergency food, resource and emotional support to families in need during times of crisis. Cory's Kitchen has a reputation for helping guide individuals through the changes in their lives. While we provide resources for social services, employment or medical support, we primarily

*provide the family with food to take away the anxiety of not being able to provide for their family's needs. Although our food program is geared to help prevent homelessness, we also provide food and resources specific to the needs of our homeless community. Helping those in need, is our primary purpose as a community organization.*

**10. YWCA of San Gabriel Valley - Meals on Wheels:** *The Meals on Wheels program provides elderly and/or disabled homebound residents of the City of West Covina with two nutritious meals Monday through Friday, excluding holidays. The service allows our clients, all of whom are unable to purchase groceries and/or prepare meals, to continue to enrich their lives and live in their own homes with independence, quality of life and dignity. A major issue faced by the elderly and/or disabled in our communities is the need for supportive services that help them maintain a stable or thriving level of living. Services such as Meals on Wheels function as a safety net for people living in precarious situations because of poverty and declining health. The value of proactive support services like Meals on Wheels is that they prevent or significantly delay the institutionalization that the vast majority of disabled and/or older people fear and emphatically do not want. In addition the YWCA-SGV Meals on Wheels Program will connect clients who are in need of case management services with the YWCA San Gabriel Valley Case Management Program and the West Covina SCAP Program.*

**11. YWCA of San Gabriel Valley - Senior Citizens Assistance Program (SCAP):** *The goal of the YWCA SCAP (Case Management and Information & Referral/Assistance Services) is to connect seniors with a broad array of services that enable them to remain in their homes for as long as possible. These services include but are not limited to: Access to services such as transportation, case management, information and assistance; and in-home services such as personal care, chore, and homemaker assistance; Community services such as legal services, mental health services, and adult day care; Community education and related programming that help to coordinate and integrate services for seniors such as health screening, exercise/health programs, etc. BSW Case Managers will provide 8 hours of on-site service at the West Covina Senior Center and an average of 4 hours services off-site in clients' homes. The YWCA San Gabriel Valley Senior Services' model of providing effective Case Management and Information and Referral/Assistance (I & RIA) Services is based on the concept of linking clients to a culturally competent, locally accessible and cost-effective integrated continuum of supportive services. In addition, our agency has proven its ability to respond in a timely manner to client's requests for service, and within several hours if the request is urgent.*



## FY 2019-2020 CDBG PUBLIC SERVICE APPLICANTS Proposed Performance Summary

	(A) Applicant/Project	(B) Service	(C) Total Project Budget	(D) Est. Total to Serve 2019-2020	(E) Amount Requested 2019-2020	(F) Est. WC to Serve 2019-2020	(G) CDBG % Budget (E/C)*100%	(H) WC % Served (F/D)*100%	(I) Staff Recommend
1.	Senior Meals Program	Serves Seniors Nutrition Program	\$ 432,280	1,100	\$ 60,000	750	14%	68%	60,000
2.	Domestic Violence Advocate	Serves Domestic Violence Victims	65,117	2,000	20,000	2,000	31%	100%	20,000
3.	Careship	Serves Youth Daycare Subsidy	6,730	8	6,000	8	89%	100%	6,000
4.	Housing Rights Center	Fair Housing Services	2,091,283	22,000	10,000	100	0.5%	0.5%	10,000

**City-Run Programs and Housing Rights Center - Subtotal    \$    96,000    \$    96,000**

	(A) Applicant/Project	(B) Service	(C) Total Project Budget	(D) Est. Total to Serve 2019-2020	(E) Amount Requested 2019-2020	(F) Est. WC to Serve 2019-2020	(G) CDBG % Budget (E/C)*100%	(H) WC % Served (F/D)*100%	(I) Com & Sr Serv Commission Recommend
1.	Action Food Pantry	Food Services Food Bank	\$ 65,000	3,634	\$ 20,000	583	31%	16%	5,290
2.	ESGV Coalition for Homeless	Serves Homeless Emerg. Food/Shelter	174,731	1,300	10,000	300	6%	23%	4,686
3.	Project 29-11	Food Services Food Bank	50,000	15,670	10,000	1,600	20%	10%	4,160
4.	Assistance League of Covina Valley	Serves Youth School Clothes	118,380	930	8,000	251	7%	27%	1,460
5.	Cory's Kitchen	Food Services Food Bank	89,425	21,082	6,000	1,390	7%	7%	4,260
6.	YWCA of SGV - Meals on Wheels	Food Services Delivered Meals	98,384	40	5,000	30	5%	75%	5,000
7.	YWCA of SGV - Senior Citizens Assistance Prog	Case Management	212,040	700	17,000	60	8%	9%	7,404

**Public Service Providers - Subtotal    \$    76,000    \$    32,260**

<b>TOTAL</b>	<b>\$ 172,000</b>
<b>TOTAL ANTICIPATED AVAILABLE</b>	<b>\$ 128,260</b>
<b>DIFFERENCE</b>	<b>\$ 43,740</b>

### Notes

- (G): The percentage represents the amount the CDBG funding requested from West Covina (E) relative to the total proposed budget for the project (C).
- (H): The percentage represents the number of people to be served from West Covina (F) relative to the total number of people to be served by the project (D).



## AGENDA STAFF REPORT

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City of West Covina | Office of the City Manager

**DATE:** June 4, 2019

**TO:** Mayor and City Council

**FROM:** David Carmany  
Interim City Manager

**SUBJECT: WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 4 PUBLIC HEARING**

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### RECOMMENDATION:

It is recommended that the City Council adopt the following resolution, which provides for the assessment rates to be maintained at their current levels:

**RESOLUTION NO. 2019-38 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING THE ENGINEER'S REPORT AND CONFIRMING A DIAGRAM AND ASSESSMENT FOR FISCAL YEAR 2019-20 FOR LANDSCAPE MAINTENANCE DISTRICT NO. 4**

### BACKGROUND:

The Landscaping and Lighting Act of 1972 (Streets & Highways Code 22500 et seq.) sets forth requirements for annual proceedings for a Landscape Maintenance District (LMD). A LMD is not a separate entity of the City. It is a financing vehicle utilized when the development of a neighborhood in the community is identified to specially benefit by certain improvements, such as parks, playgrounds, landscapes, sidewalks, trees, etc. Due to this special benefit, landowners in the identified area are assessed to pay the costs of the construction and/or ongoing maintenance of such improvements.

Each LMD is created through formation proceedings (also known as a vote of the affected property owners) pursuant to the Landscaping and Lighting Act of 1972 (the "1972 Act"). This usually occurs at the time a residential or commercial project is first developed. The "1972 Act" allows a local agency (such as the City of West Covina) to levy an annual assessment for the maintenance of the community improvements, based on special benefit directly or indirectly, to the property owners within the LMD. Annual assessments are paid as part of a line-item on individual property tax bills.

This report concerns LMD No. 4 (LMD4). LMD4 was established in 1975. This district is located in the southeasterly part of the City. The assessments collected are used to maintain landscaping, irrigation, hardscape (e.g. sidewalks, walls, graffiti abatement, clean-up of sites, etc.), and area lighting on 130 acres of public open space within the boundaries of the district. To encourage innovative housing types and neighborhood designs and to preserve the ridgelines in the San Jose Hills, this area was originally developed with relatively narrow street rights-of-way and small lot sizes. The resulting surplus land was converted to landscaped slope areas and park like "green belt" areas containing walkways, landscaping, and lighting.

## **DISCUSSION:**

The Landscaping and Lighting Act of 1972 specifies the procedures for renewal of landscape maintenance districts. At its regular meeting on May 7, 2019, the City Council preliminarily approved the Engineer's Report prepared pursuant to the provisions of the "Landscaping and Lighting Act of 1972" and Proposition 218. The City Council also adopted Resolution No. 2019-21 declaring its intention to levy and collect the assessment and set June 4, 2019, as the date for the public hearing.

The preliminary approval of the Engineer's Report does not commit the City Council to adopt the proposed assessments for the District. During or after the public hearing, the City Council may maintain or reduce the assessment rates and revise expenditures that are funded by the District. The City Council's action only becomes final when the assessments are confirmed by resolution upon completion of the public hearing. However, it cannot raise the rate that is now capped by Proposition 218.

The next step is the approval of the assessment rates. Following the Public Hearing, the City Council may adopt a resolution confirming the diagram and assessment levy either as proposed or as revised by the City Council. This action levies the assessment for the Fiscal Year.

At this time, staff recommends that the assessment rates be maintained at their current levels for Fiscal Year 2019-2020 and in order to increase the rates further, it would be necessary to comply with the voting requirements of Article XIII D of the California Constitution. LMD4 has nine separate zones of benefit based in property type and level of benefit with varying annual assessment rates including maximum benefit rates of \$49.16 for a Zone A1 commercial property, \$232.48 for a Zone A4 condo, \$348.02 for a Zone A7 single family unit, \$386.66 for Zone A8 4-plex and \$464.00 for a Zone A9 duplex unit.

## **LEGAL REVIEW:**

The City Attorney has reviewed and approved the staff report, resolutions and Preliminary Engineer's Report.

## **OPTIONS:**

The City Council has the following options:

1. Approve staff's recommendation to maintain the assessment rates at their current levels. The attached "10-Year Fiscal Projection" shows rates being maintained at their current levels and the reserve levels over the next 10 years; or
2. Reduce the assessment rates; LMD4's reserves will be depleted at a faster pace requiring the City's General Fund to subsidize the district; or
3. Provide alternative direction.

## **ENVIRONMENTAL REVIEW:**

This project is a General Exemption under the California Environmental Quality Act.

**Prepared by:** Miguel Hernandez, Public Works Project Supervisor

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## **Fiscal Impact**

### **FISCAL IMPACT:**

The Fiscal Year 2019-20 Engineer's Report for LMD4 recommends that the assessment rates be maintained at their current levels. The annual maximum assessment rates for LMD4 will be maintained at \$49.16 for commercial property, \$232.48 for condos, \$348.02 for a single dwelling unit, \$464.00 for a duplex unit, and \$386.66 for a 4-plex unit. The projected income from the recommended rates is \$1,037,950. In addition, \$9,000 is projected to be received from Landscape Maintenance District No. 2 (LMD2) for costs of maintenance in an overlap area between LMD2 and LMD4. The total projected revenue is \$1,057,950 including \$11,000 in interest. With the \$2,228,083 projected fund balance from the previous fiscal year, the total funds available are \$3,286,033.

The preliminary operating budget for LMD4 for Fiscal Year 2019-20 is \$1,015,579 which is a decrease of 1.13%

compared to the approved/amended budget for Fiscal Year 2018-19. The proposed operating budget only funds the regular landscape maintenance. Ongoing improvements such as irrigation system improvements, enhancement to existing landscaping, tree trimming, and other extras are being eliminated to maintain the operating budget within projected revenues from the capped assessment rates. Staff is proposing two new capital improvements, namely: (1) tree trimming and shrub clearing in the amount of \$400,000; and (2) repair and replacement of paseo lights in the amount of \$100,000. The total cost of proposed CIP projects is \$500,000 for Fiscal Year 2019-20.

There are no legal requirements or formal guidelines for the amount of reserves in an assessment district; however, at least 50% is required to cover cash flow. A reserve between 100% and 200% is recommended by staff to cover cash flow, future capital projects, and emergencies.

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#### **Attachments**

Attachment No. 1 - Rate History

Attachment No. 2 - LMD4 Engineer's Report

Attachment No. 3 - 10 Year Projection

Attachment No. 4 - Resolution No. 2019-38

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**West Covina  
Landscape Maintenance District No.4  
15 Rate History**

<b>Fiscal Year</b>	<b>Per Unit Zone*</b>
<b>2019/20</b>	
<b>Proposed</b>	<b>\$464.00</b>
2018/19	\$464.00
2017/18	\$464.00
2016/17	\$464.00
2015/16	\$464.00
2014/15	\$464.00
2013/14	\$464.00
2012/13	\$464.00
2011/12	\$464.00
2010/11	\$464.00
2009/10	\$464.00
2008/09	\$464.00
2007/08	\$464.00
2006/07	\$464.00
2005/06	\$455.87

\*MD4 has nine (9) separate zones of benefit with varying assessment rates from \$49.16 to \$464.00 per assessment unit. The zone shown in the table is for a single parcel with a duplex and is the highest assessment per parcel.



# **City of West Covina**

## **Landscape Maintenance District No. 4**

### **FISCAL YEAR 2019-20 ENGINEER'S REPORT**

Intent Meeting: May 7, 2019

Public Hearing: June 4, 2019

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# ENGINEER'S REPORT AFFIDAVIT

## City of West Covina Landscape Maintenance District No. 4

City of West Covina,  
County of Los Angeles, State of California

This Report describes the District including the improvements, budgets, parcels and assessments to be levied for Fiscal Year 2019/2020 as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Los Angeles County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this 6th day of May, 2019.

Willdan Financial Services  
Assessment Engineer  
On Behalf of the City of West Covina

By: [Signature]

Susana Hernandez, Project Manager  
District Administration Services

By: [Signature]

Richard Kopecky  
R. C. E. # 16742



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## OVERVIEW

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The City of West Covina (“City”), annually levies and collects assessments in order to provide and maintain facilities, improvements and services within Landscape Maintenance District No. 4 (“District”). The District was established in 1975 pursuant to the *Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code* (“1972 Act”). The District was created at the request of the owner of the developments in lieu of forming a Homeowner’s Association. The funds collected are used to maintain landscaping, irrigation, hardscape, and paseo lighting on 130 acres of public open space within the boundaries of the District.

The Engineer’s Report (“Report”) has been prepared pursuant to Chapter 1, Article 4 and Chapter 3 of the 1972 Act, and presented to the City Council for their consideration and approval of the proposed improvements and services to be provided within the District and the levy and collection of annual assessments for Fiscal Year (“FY”) 2019-20.

This Report describes the District, the improvements and the proposed assessments to be levied against properties in connection with the benefits the properties will receive from the maintenance and servicing of the District improvements for FY 2019-20. The annual assessments to be levied on properties within the District provide a funding source for the continued operation and maintenance of local landscape improvements installed in connection with the development of properties within the District. Each FY, the City establishes the District’s assessments based on an estimate of the costs to maintain, operate and service the landscape improvements and based upon available revenues including fund balances, City contributions and assessment limits. The costs of the improvements and the proposed annual assessments budgeted and assessed against properties within the District may include: the estimated expenditures for regular annual maintenance and repairs; incidental expenditures related to the operation and administration of the District; deficits or surpluses from prior years; revenues from other sources; and the collection of adequate funds for operational reserves or periodic expenditures including installments collected for long-term improvement projects. Each parcel is assessed proportionately for only those improvements, services and expenses for which the parcel will receive special benefit.

The word “parcel,” for the purposes of this Report, refers to an individual property assigned its own Assessor’s Parcel Number (“APN”) by the Los Angeles County (“County”) Assessor’s Office. The County Auditor/Controller uses Assessor’s Parcel Numbers and specific Fund Numbers to identify properties to be assessed on the tax roll for the special benefit assessments.

At a noticed annual Public Hearing, the City Council will accept all public comments and written protests regarding the District and the annual levy of assessments. Upon conclusion of the Public Hearing, the City Council will consider all public comments and review the Report. The City Council may order amendments to the Report or confirm the Report as submitted. Following final approval of the Report and

confirmation of the assessments the Council will, by Resolution, order the improvements to be made and confirm the levy and collection of assessments pursuant to the 1972 Act. The assessments as approved will be submitted to the County Auditor/Controller to be included on the property tax roll for each parcel.

While the budgets outlined in this Report reflect the estimated costs necessary to fully and adequately provide for the maintenance and operation of the improvements within the District, many of these estimated costs and associated services cannot be funded by the current assessment revenues. To fully fund the improvements, it will be necessary to increase assessment revenues which will require the support of the property owners for new or increased assessments through a ballot proceeding conducted under the provisions of the California Constitution Article XIII D. Although such proceedings are not being conducted this FY and the proposed District assessments for FY 2019-20 are not being increased over the assessments levied in the prior FY, such assessment increases may be considered in the future due to the rising costs associated with the maintenance of District improvements.

As required by the 1972 Act, this Engineer's Report describes the improvements to be operated, maintained and serviced by the District, an estimated budget for the District improvements, and the proposed assessments to be levied upon each assessable lot or parcel within the District for FY 2019-20.

This Report consists of five (5) parts:

## **Part I**

**Plans and Specifications:** A general description of the District and the improvements for which parcels are assessed. The proposed assessments as outlined in this Report are based on the improvements that provide a special benefit to the properties within the District. The plans and specifications contained in this Report generally describe the nature, location and extent of the improvements.

## **Part II**

**Method of Apportionment:** A description of how the proportionate amount of the assessments is to be charged in proportion to the benefits received by each lot or parcel within the boundaries of the District.

## **Part III**

**Estimate of Costs:** An estimate of the annual costs to properly operate, maintain, and service the landscape improvements and appurtenant facilities. This budget includes an estimate of the maintenance costs and incidental expenses including, but not limited to: labor, materials, equipment and administration expenses as well as the collection of appropriate funding necessary to properly support the improvements. Not all services and costs identified in these budgets can be supported by the current assessment revenues and City contributions, and as such, City staff shall make the

determination of which services and activities shall be provided based on available revenues.

## Part IV

**Boundary Map:** A diagram showing the boundaries of the District is provided in this Report and includes all parcels determined to receive special benefits from the improvements. Parcel identification, the lines and dimensions of each lot, parcel and subdivision of land within the District are shown on the Los Angeles County Assessor's Parcel Maps, and shall include any subsequent lot line adjustments or parcel changes therein. Reference is hereby made to the Los Angeles County Assessor's Parcel Maps for a detailed description of the lines and dimensions of each lot and parcel of land within the District. A diagram showing the overall boundaries of the District is on file with the City Clerk and the Office of the City Engineer, and by reference is made part of this Report.

## Part V

**Assessment Roll:** A listing of the assessment amount associated with each parcel within the District. The assessments presented herein are unchanged from the previous FY.

## ***PROPOSITION 218 COMPLIANCE***

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On November 5, 1996, California voters approved Proposition 218 ("Prop 218"). This Proposition amended the California Constitution and was the latest in a series of initiatives reducing the revenue-raising discretion of California local governments. The provisions of the Proposition, now California Constitution Articles XIII C and XIII D, can be summarized in four general areas:

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

Prop 218 required that beginning July 1, 1997, all new and existing assessments (with some exceptions) must conform to new substantive and procedural requirements. However, certain assessments are exempted from these requirements until they are increased.

Generally, these exemptions include:

- (a) Assessments used exclusively to fund sidewalks, streets, sewers, water, flood control, drainage systems, or vector control.
- (b) Assessments imposed pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment is initially imposed.
- (c) Assessments used exclusively for bond repayments, the cessation of which would violate the Contract Impairment Clause of the U.S. Constitution.
- (d) Assessments previously approved by a majority of voters.

Since the District and the related assessments were established in 1975 at the request of the owner of the property, the initial District assessments were not required to conform with the Article XIID substantive and procedural requirements. The maximum assessment rate for the District at the time of the passage of Prop 218 was \$464.00 previously approved by the City Council in FY 1989-90. Any subsequent increases in the assessments above the maximum rate previously approved by City Council prior to November 5, 1996 will be subject to the procedures and approval process of Section 4 of Article XIID of the California Constitution.

## ***I. PLANS AND SPECIFICATIONS***

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### **A. ZONES OF BENEFIT**

For FY 2019-20, the parcels, lots, subdivisions and developments within the District are identified and grouped into nine (9) zones of benefit referred to as “Zones”. Each Zone reflects the landscape improvements associated with the development of properties in that Zone, in order to fairly and equitably apportion the net cost of providing those improvements to the properties that receive special benefits from the service and activities associated with those improvements. Most of the parcels in the District are identified as single-family and multi-family residential properties. All parcels receive special benefits from the improvements because of the increased desirability of a parcel that is located in an area with landscaping, and open space areas. Public agency parcels within the District will not be used for residential occupancies or commercial/industrial workplaces, and therefore, do not receive special benefit and will not be assessed. The assessments proposed to be levied on each property do not exceed the reasonable cost of proportional special benefit conferred on each property from the funded improvements.

The following is a brief description of the District Zones:

#### ***Zone A1:***

Parcels in this zone are commercial properties, which are located at the intersections of major arterial roadways. These parcels are benefited by the District improvements to a lesser degree due to their proximity to the open space areas. Nonetheless, the parcels are benefited by aesthetically pleasing landscaping and open space areas which enhance the desirability of living in the District, because its promotion of evening business and industry vitality, and contribution to a positive nighttime visual image.

#### ***Zone A2:***

Parcels in this zone are condominium type homes with open space areas located along the fringes of the zone. Due to the nature and higher density of the parcels and the higher intensity of the property use, the parcels derive benefits such as providing a more peaceful and relaxed lifestyle due to the surrounding open space areas.

#### ***Zone A3:***

Parcels in this zone are made up of condominiums and apartment complexes with smaller areas of open space within the zone. Due to the denser housing within this zone, Zone A3 is distinctly benefited by the interspersed open space areas within the zone. Although open space areas are smaller than in other zones, the incorporation of such areas into Zone A3’s higher-intensity property uses peculiarly benefits Zone A3’s parcels by providing aesthetically pleasing landscaping and enhancing the desirability of living in Zone A3.

#### **Zone A4:**

Parcels in this zone are condominium type homes. The open space areas are in close proximity to the condominiums in this zone, thus providing the zone's parcels with benefits such as the enhancement of quality of life within the community characterized by openness, landscape and natural vistas, wildlife and relaxed, peaceful living.

#### **Zone A5:**

Parcels in this zone are made up of detached single-family homes with large open space areas in close proximity. Zone A5 parcels derive a benefit particular to their zone, based on the significant size and proximity of the open space areas to the parcels. The large open spaces in the vicinity of the parcels contribute to lower housing density due to the dedication of acreage for landscaping and natural areas, which thereby reduce the number of buildable parcels.

#### **Zone A6:**

Parcels in this zone are made up of detached single-family homes with open space areas located along the fringes of the zone. Having the open space areas along the perimeter of the zone is advantageous to the parcels within Zone A6 due to the open space areas' positive results on the parcels, such as attracting natural flora and fauna, providing a more peaceful and relaxed lifestyle.

#### **Zone A7:**

Parcels in this zone are made up of detached single-family homes. The open space areas are in close proximity to the single-family homes. These open space areas are connected with paseos that include concrete walkways and lights. These paseos provide for safe pedestrian travel within the zone and into adjacent Zone A9.

#### **Zone A8:**

Parcels in this zone are made up of four-plexes with open space areas located along the fringes of the zone that provide a barrier from the major arterial roadway. The strategic location of open space areas at the fringe create an aesthetically pleasing yet practical perimeter around the zone, which provides a more peaceful and relaxed lifestyle by attracting natural flora and fauna to Zone A8 parcels which, because of the close proximity to major arterial roadways, would not otherwise receive such benefit. Moreover, the higher-intensity property use receives a significant benefit from the natural vistas and landscaping provided by the open space areas.

### **Zone A9:**

Parcels in this zone are made up of duplexes. The open space areas are in close proximity to the duplexes and are connected by paseos. The paseos are improved with concrete walkways and lights. These paseos provide for safe pedestrian travel within the zone and into adjacent Zone A7, and promote social interaction.

## **B. DESCRIPTION OF WORK**

The existing facilities to be maintained and serviced include public open space area, lighting, parkway, and manufactured slopes and appurtenant facilities. There are approximately 130 acres of open space within the District.

The District will fund the costs in connection with the district maintenance and servicing including, but not limited to, personnel, electrical energy, water, materials, contracting services, and other expenses necessary for the satisfactory operation of these facilities. The facilities and improvements which have been constructed within the District and which will be maintained and serviced are described as follows:

### Landscaping and Appurtenant Facilities

Facilities include but are not limited to: landscaping, planting, shrubbery, trees, irrigation system, hardscape, fixtures, sidewalk maintenance resulting from landscape growth and appurtenant facilities, in public right-of-way, parkways, and dedicated easements within the boundaries of said District.

### Lighting and Appurtenant Facilities

Facilities include but are not limited to: poles, fixtures, bulbs, conduits, conductors, equipment including guys, anchors, posts and pedestals, metering devices and appurtenant facilities as required to provide lighting in the public right-of-way and dedicated easements within the boundaries of said District.

“Maintenance” means, as defined in the 1972 Act, the furnishing of services and materials for the ordinary and usual operation, maintenance and servicing of the landscaping, public lighting facilities and appurtenant facilities, including repair, removal or replacement of all or part of any of the landscaping, public lighting facilities or appurtenant facilities; providing for the life, growth, health, and beauty of the landscaping, including cultivation, irrigation, trimming, spraying, fertilizing and treating for disease or injury; the removal of trimmings, rubbish, debris and other solid waste; and the cleaning, sandblasting and painting of walls and other improvements to remove or cover graffiti.

“Servicing” means the furnishing of water for the irrigation of landscaping and the maintenance of any of the public lighting facilities and furnishing of electrical energy for the public lighting facilities or for the lighting or operation of landscaping or appurtenant facilities.



### **C. IMPROVEMENTS AUTHORIZED BY THE 1972 ACT**

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

- The installation or planting of landscaping.
- The installation or construction of statuary, fountains, and other ornamental structures and facilities.
- The installation or construction of public lighting facilities.
- The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof, including, but not limited to, grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
- The maintenance or servicing, or both, of any of the foregoing.
- The acquisition of any existing improvement otherwise authorized pursuant to this section.

Incidental expenses associated with the improvements including, but not limited to:

- The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
- The costs of printing, advertising, and the publishing, posting and mailing of notices;
- Compensation payable to the County for collection of assessments;
- Compensation of any engineer or attorney employed to render services;
- Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
- Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.
- Costs associated with any elections held for the approval of a new or increased assessment.



#### **D. DESCRIPTION OF IMPROVEMENTS AND SERVICES**

The District is located in the southeasterly part of the City of West Covina. To encourage innovative housing types and neighborhood designs, and to preserve the ridgelines of the San Jose Hills, this area was developed with relatively narrow street right-of-way's and small lot sizes. The resulting surplus of land was converted to landscaped slope areas and park-like "green belt" areas containing walkways, landscaping, and lighting.

The detailed plans and specifications of the District improvements are on file in the office of the City Public Works Department and by reference are made part of this Report.

Ongoing and Completed Capital Improvement Projects:

FY 2018/19, improvements in progress include:

- Upgrading paseo security lighting
- Basic maintenance and repair of concrete walkways
- Tree trimming

Total Cost of Improvements: \$100,000

## **II. METHOD OF APPORTIONMENT**

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The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include the construction, maintenance, and servicing of public lights, landscaping and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

*"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."*

Because assessments are levied on the basis of benefit, they are not a tax, and, therefore, are not governed by Article XIII A of the California Constitution.

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

The 1972 Act also permits certain parcels to be exempt from assessment. Excluded from these assessments are areas of all publicly owned property such as: public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, all public easements, and right-of-way's, all public parks, public greenbelts and parkways, and all public property being used for public purposes. However, per Proposition 218, any publicly owned property that benefits from District improvements shall be assessed its proportional share of District costs.

The formula used for calculating assessments in this District reflects the composition of the parcels, and the improvements and services provided in order to fairly apportion the costs based on estimated benefit to each parcel.

### **A. BENEFIT ANALYSIS**

All parcels in the District derive benefit from the open space maintenance. The intent of this Report is to establish a methodology that fairly distributes the cost of the system in relation to the benefit received.

The assessment ratio for all properties is based on dwelling units. Each single family residential parcel, condominium complex, apartment, duplex, multi-family residential, and other developed land, is assessed per dwelling unit. This pro-ration accounts for an adjustment for street right-of-way's and public easements.

## **B. ASSESSMENT METHODOLOGY**

The methods of apportionment utilized for the District calculates the receipt of special benefit from the respective improvements based on the actual or proposed land use of the parcels. The special benefit received by each lot or parcel is equated to the overall land use of the parcel based on the parcel's actual land use or proposed planned development, and is reliant upon the special benefit received from the improvements within the District.

To identify and determine the special benefit to be received by each parcel, it is necessary to consider the entire scope of the improvements. The costs associated with the improvements shall be fairly distributed among the parcels based upon the special benefit received by each parcel. Additionally, in compliance with Section 4 of Article XIID, each parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred to that parcel. The benefit formula used to determine the assessment obligation is therefore based upon both the improvements that benefit the parcels of the District as well as the proposed land use of each property as compared to other parcels that benefit from those specific improvements.

The assessment methodology and assessment rates proposed for FY 2019-20 determined that all parcels receive special benefit for the landscape and lighting maintenance. In order to continue to provide the current level of maintenance services, the budget is proposed to be maintained at the FY 2018-19 level. Therefore, the assessment rates for the FY 2019-20 are not proposed to be increased.

The District was established in 1975 prior to Proposition 218 requirements, and the assessment for all properties is based on dwelling units. Each single family residential parcel, condominium complex, apartment, duplex, multi-family residential, and other developed land, is assessed per dwelling unit. The land-use classification for each parcel is based on the Los Angeles County Auditor/Controller's Assessment Roll.

The specific percent budget allocations, which were previously established for each zone, will not be increased in FY 2019-20. To calculate the Assessment Rates, the budget for each zone is divided by the total number of Equivalent Dwelling Units ("EDU") in the zone.

The following table summarizes the different assessment rates for the different zone classifications and compares the proposed assessment with the prior year's assessment.

**City of West Covina  
Landscape and Maintenance District No. 4  
FY 2019-20 Preliminary Assessment Summary and Comparison**

Zone	% of Budget	Parcel Count	EDU	FY 2018-19 Assessment Rates	FY 2019-20 Proposed Assessment Rates	Total Assessment
A1	2%	30	451	\$49.16	\$49.16	\$22,171.16
A2	2%	218	319	77.89	77.89	24,846.91
A3	13%	326	2,803	49.33	49.33	138,271.99
A4	11%	498	497	232.48	232.48	115,542.56
A5	4%	157	157	260.98	260.98	40,973.86
A6	7%	246	246	289.99	289.99	71,337.54
A7	52%	1,549	1,548	348.02	348.02	538,734.96
A8	5%	118	117	386.66	386.66	45,239.22
A9	4%	88	88	464.00	464.00	40,832.00
<b>Total*</b>	<b>100%</b>	<b>3,230</b>	<b>6,226</b>			<b>\$1,037,950.20</b>

\*Totals may not foot due to rounding

**BENEFIT ZONE LEGEND**

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A1	Commercial Property
A2	Condos (Triangle Area, East of Azusa Ave. and north of Woodgrove Park)
A3	Condos Minimum Maintenance Benefit
A4	Condos Medium Maintenance Benefit
A5	Single Family Triangle Area (Special Area, West of Azusa Ave and north of Amar Rd.)
A6	Single Family Medium Maintenance Benefit
A7	Single Family Maximum Maintenance Benefit
A8	Four-plex Minimum Maintenance Benefit
A9	Duplex Minimum Maintenance Benefit

### **III. ESTIMATE OF COSTS**

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The total estimate of costs for maintenance of the proposed improvements for FY 2019-20, as defined under Section 22569 of the 1972 Act, are those as hereinafter set forth. Said cost estimates include the total District costs for constructing or installing any proposed improvements and for maintenance and servicing the existing improvements including incidental expenses; the amount of any surplus or deficit in the maintenance fund to be carried over from the previous year; any annual installments to be collected over more than a single year; as well as the amount of any contributions to be made from any other sources.

#### **A. CAPITAL IMPROVEMENT PROJECT FUND**

For FY 2019-20, the City Council approved two capital improvement projects, namely: tree trimming, shrub clearing, and the repair and replacement of paseo lighting for an estimated total amount of \$500,000.

Cost break-down for projects planned for FY 2019-20 are identified below:

Description	Estimated Costs
Tree trimming & shrub clearing	\$400,000
Repair/Replace paseo lights	100,000
<b>Total</b>	<b>\$500,000</b>

#### **B. SUMMARY OF TOTAL COSTS**

The City's budget for the operation and service costs detail the estimated costs and fund balances for FY 2019-20 as available at the time of preparation of this Report. The 1972 Act provides that the total cost can be recovered in the assessment spread including incidental expenses. The latter can include engineering fees, legal fees, printing, mailing, postage, publishing, and all other related costs identified with the District proceedings.

The 1972 Act requires that a special fund be set-up for the revenue and expenditures of the District. Funds raised by the assessment shall be used only for the purpose as stated herein. A contribution to the District by the City may be made to reduce assessments, as the City Council deems appropriate. Any balance or deficit remaining on July 1<sup>st</sup> must be carried over to the next FY.

**City of West Covina  
Landscape Maintenance District No. 4  
FY 2019-20  
Estimated Costs for Landscape Maintenance**

**Expenditures**

<b>Direct Maintenance</b>		<b>Totals</b>
Personnel Services		<b>\$173,553</b>
<b>Materials and Services</b>		
Maintenance Contracts	\$269,323	
Utilities (electricity & water)	345,000	
Maintenance Supplies	10,200	
Property & Liability Insurance	11,289	
Administration & Overhead	121,704	
<b>Subtotal</b>		<b>\$757,516</b>
<b>Engineering &amp; Incidental</b>		
Personnel Services	\$9,510	
NPDES	75,000	
Equipment Outlay	0	
<b>Subtotal</b>		<b>\$84,510</b>
<b>Total Operating Budget</b>		<b>\$1,015,579</b>
<b>Capital Improvement<sup>(1)</sup></b>		<b>\$500,000</b>
<b>Total Operating and Capital Budget</b>		<b>\$1,515,579</b>
<b>Contingency and Reserves</b>		
Cash Flow Reserves	\$507,790	
Contingency	1,262,664	
<b>Total Contingency and Reserves</b>		<b>\$1,770,454</b>

<b>Total District Expenditures</b>	<b>\$3,286,033</b>
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**Revenues**

Assessment Income (Total Balance to Levy)	\$1,037,950	
Interest	11,000	
Reimbursement from Landscape Maintenance District No. 2	9,000	
<b>Total Projected Revenue</b>		<b>\$1,057,950</b>
Projected Fund Balance (6/30/19)		2,228,083

<b>Total Funds Available</b>	<b>\$3,286,033</b>
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(1) See Capital Project Fund Section III. A.

#### ***IV. BOUNDARY MAP***

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A diagram showing the exterior boundaries of the District, boundaries of any zone within the District and the lines and dimensions of each lot or parcel of land within the District is on file in the Office of the City Engineer and incorporated herein by reference. The lines and dimensions shown on the Los Angeles County Assessor's parcel maps for the current year are incorporated by reference and made part of this Report.

## CITY OF WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 4





## ***V. ASSESSMENT ROLL***

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Parcel identification for each lot or parcel within the District shall be the parcel as shown on the Los Angeles County Secured Roll for the year in which this Report is prepared and reflective of the Assessor's Parcel Maps. A listing of the proposed lots and parcels to be assessed within this District along with the assessment amounts shall be submitted to the City Clerk, under a separate cover, and by reference is made part of this Report.

**West Covina Landscape Maintenance District No. 4**  
**10 Year Fiscal Projection**

Percent Increase	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Fiscal Year	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29
<b>Assessment Income</b>	<b>\$1,037,950</b>	<b>\$1,037,950</b>	<b>\$1,037,950</b>	<b>\$1,037,950</b>	<b>\$1,037,950</b>	<b>\$1,037,950</b>	<b>\$1,037,950</b>	<b>\$1,037,950</b>	<b>\$1,037,950</b>	<b>\$1,037,950</b>
Interest (1)	11,000	3,541	3,570	3,558	3,503	3,406	3,264	3,077	2,844	2,564
Transfer In From District 2	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Prior Year Balance	2,228,083	1,770,454	1,785,055	1,778,967	1,751,734	1,702,893	1,631,967	1,538,475	1,421,921	1,281,802
<b>Total Funding</b>	<b>\$3,286,033</b>	<b>\$2,820,946</b>	<b>\$2,835,575</b>	<b>\$2,829,475</b>	<b>\$2,802,188</b>	<b>\$2,753,249</b>	<b>\$2,682,182</b>	<b>\$2,588,502</b>	<b>\$2,471,715</b>	<b>\$2,331,316</b>
Maintenance Costs (2)	1,015,579	1,035,891	1,056,608	1,077,741	1,099,295	1,121,281	1,143,707	1,166,581	1,189,913	1,213,711
Capital Improvements	500,000									
<b>Total Cost</b>	<b>\$1,515,579</b>	<b>\$1,035,891</b>	<b>\$1,056,608</b>	<b>\$1,077,741</b>	<b>\$1,099,295</b>	<b>\$1,121,281</b>	<b>\$1,143,707</b>	<b>\$1,166,581</b>	<b>\$1,189,913</b>	<b>\$1,213,711</b>
<b>Ending Balance</b>	<b>\$1,770,454</b>	<b>\$1,785,055</b>	<b>\$1,778,967</b>	<b>\$1,751,734</b>	<b>\$1,702,893</b>	<b>\$1,631,967</b>	<b>\$1,538,475</b>	<b>\$1,421,921</b>	<b>\$1,281,802</b>	<b>\$1,117,605</b>
Cash Flow	507,790	517,945	528,304	538,870	549,648	560,641	571,853	583,291	594,956	606,855
Over/Under	1,262,665	1,267,110	1,250,663	1,212,864	1,153,245	1,071,327	966,621	838,630	686,846	510,750
Assessment of Highest Zone (3)	\$464	\$464	\$464	\$464	\$464	\$464	\$464	\$464	\$464	\$464

Notes: (1) Interest is 0.4% of one-half of the previous year ending balance.

(2) 2% increase in maintenance cost each year due to inflation.

(3) Previously approved maximum highest rate of \$464, may not be increased further without vote.

**RESOLUTION NO. 2019-38**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING THE ENGINEER'S REPORT AND CONFIRMING A DIAGRAM AND ASSESSMENT FOR FISCAL YEAR 2019-20 FOR LANDSCAPE MAINTENANCE DISTRICT NO. 4**

**WHEREAS**, the City's Landscape Maintenance District No. 4 (the "District") has been established pursuant to the Landscaping and Lighting Act of 1972 (Streets & Highways Code Section 22500 *et seq.*) (the "Act") to fund the maintenance and servicing of certain public landscaping and appurtenant facilities in the City; and

**WHEREAS**, in connection with the District, the City annually levies an assessment against real property; and

**WHEREAS**, by its Resolution No. 2019-21, adopted May 7<sup>th</sup>, 2019, the City Council directed Willdan Financial, as assessment engineer (the "Engineer"), to prepare and file a report regarding the District; and

**WHEREAS**, the Engineer filed said report, entitled "City of West Covina, Landscape Maintenance District No. 4, Fiscal Year 2019-20 Engineer's Report" (the "Report"), which is on file and available for public inspection in the Office of the City Clerk and is incorporated herein by reference; and

**WHEREAS**, by its Resolution No. 2019-22, adopted May 7<sup>th</sup>, 2019, the City Council preliminarily approved the Report, declared its intention to levy an assessment in connection with the District for Fiscal Year 2019-20, and called a public hearing on the assessment for June 4, 2019 (the "Hearing"); and

**WHEREAS**, at the hearing, which was noticed as required by law, all interested persons were afforded the opportunity to hear and be heard and the City Council considered all oral and written statements and all written protests made or filed by any interested person; and

**WHEREAS**, the City Council now desires to completed proceedings to levy the Fiscal Year 2019-20 assessment in connection with the District.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, DOES RESOLVE AS FOLLOWS:**

**SECTION 1.** The Report is hereby finally approved as filed.

**SECTION 2.** The City Council hereby confirms the diagram and assessment contained in the Report.

**SECTION 3.** Pursuant to Section 22631 of the Act, the adoption of this Resolution shall constitute the levy of the assessment for Fiscal Year 2019-20.

**SECTION 4.** The City Clerk is directed file the diagram and assessment, or a certified copy thereof, with the county auditor. The assessments shall be collected at the same time and in the same

manner as county taxes are collected, and all laws providing for the collection and enforcement of county taxes shall apply to the collection and enforcement of the assessments

**SECTION 5.** The City Council finds that the levy and collection of these assessments is statutorily exempt from CEQA pursuant to Section 15273 of the Guidelines, in that the proceeds of the assessments are to be used for meeting operating expenses, purchasing supplies and meeting financial reserves needs and requirements.

**SECTION 6.** The City Clerk shall certify to the adoption of this resolution.

**PASSED, APPROVED AND ADOPTED** on June 4, 2019.

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Lloyd Johnson  
Mayor

**APPROVED AS FORM**

**ATTEST**

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Scott E. Porter  
City Attorney

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Carrie Gallagher, CMC  
Assistant City Clerk

I, CARRIE GALLAGHER, ASSISTANT CITY CLERK of the City of West Covina, California, do hereby certify that the foregoing resolution was duly adopted by the City Council of the City of West Covina, California, at a regular meeting thereof held on the 4<sup>th</sup> day of June 2019, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Carrie Gallagher, CMC  
Assistant City Clerk



## AGENDA STAFF REPORT

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City of West Covina | Office of the City Manager

**DATE:** June 4, 2019

**TO:** Mayor and City Council

**FROM:** David Carmany  
Interim City Manager

**SUBJECT: WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 6 PUBLIC HEARING**

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### RECOMMENDATION:

It is recommended that the City Council adopt the following resolution, which provides for the assessment rate to be maintained at its current level:

**RESOLUTION NO. 2019-39 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING THE ENGINEER'S REPORT AND CONFIRMING A DIAGRAM AND ASSESSMENT FOR FISCAL YEAR 2019-20 FOR LANDSCAPE MAINTENANCE DISTRICT NO. 6**

### BACKGROUND:

The Landscaping and Lighting Act of 1972 (Streets & Highways Code 22500 et seq.) sets forth requirements for annual proceedings for a Landscape Maintenance District (LMD). A LMD is not a separate entity of the City. It is a financing vehicle utilized when the development of a neighborhood in the community is identified to specially benefit by certain improvements, such as parks, playgrounds, landscapes, sidewalks, trees, etc. Due to this special benefit, landowners in the identified area are assessed to pay the costs of the construction and/or ongoing maintenance of such improvements.

Each LMD is created through formation proceedings (also known as a vote of the affected property owners) pursuant to the Landscaping and Lighting Act of 1972 (the "1972 Act"). This usually occurs at the time a residential or commercial project is first developed. The "1972 Act" allows a local agency (such as the City of West Covina) to levy an annual assessment for the maintenance of the community improvements, based on special benefit directly or indirectly, to the property owners within the LMD. Annual assessments are paid as part of a line-item on individual property tax bills.

This report concerns LMD No. 6 (LMD6). LMD6 was established in 1980 at the request of the owner of the development in lieu of forming a Homeowners' Association. LMD6 is generally located in the easterly end of the City known as South Hills. The assessments collected by the district are used to maintain landscaping, irrigation, and hardscape (e.g. sidewalks, walls, graffiti abatement, clean-up of sites, etc.) in public open space areas within its boundaries. LMD6 contains 238 single-family dwellings, approximately 12 acres of landscaped and irrigated areas, and approximately 65 acres of natural open space areas.

### DISCUSSION:

The Landscaping and Lighting Act of 1972 specifies the procedures for renewal of landscape maintenance districts. At its regular meeting on May 7, 2019, the City Council preliminarily approved the Engineer's Report prepared pursuant to the provisions of the "Landscaping and Lighting Act of 1972" and Proposition 218. The City Council also adopted Resolution No. 2019-24 declaring its intention to levy and collect the assessment and set June 4, 2019, as the date for the public hearing.

The preliminary approval of the Engineer's Report does not commit the City Council to adopt the proposed assessments for the District. During or after the public hearing, the City Council may maintain or reduce the assessment rate and revise expenditures that are funded by the District. The City Council's action only becomes final when the assessments are confirmed by resolution upon completion of the public hearing. However, it cannot raise the rate that is now capped by Proposition 218.

The next step is the approval of the assessment rates. Following the Public Hearing, the City Council may adopt a resolution confirming the diagram and assessment levy either as proposed or as revised by the City Council. This action levies the assessment for the Fiscal Year.

At this time, staff recommends that the assessment rate be maintained at its current level for Fiscal Year 2019-20. The assessment rate for LMD6 is equal to the maximum rate approved when the District was established and in order to increase the rate further, it would be necessary to comply with the voting requirements of Article XIID of the California Constitution. The annual assessment rate for LMD6 will be maintained at \$650 per lot annually (\$56.16 per month).

#### **LEGAL REVIEW:**

The City Attorney has reviewed and approved the staff report, resolutions, and preliminary Engineer's Report.

#### **OPTIONS:**

The City Council has the following options:

1. Approve staff's recommendation to maintain the assessment rate at their current levels. The attached "10-Year Fiscal Projection" shows the rate being maintained at their current level and the reserve levels over the next 10 years; or
2. Reduce the assessment rate; LMD6's reserves will be depleted at a faster pace requiring the City's General Fund to subsidize the district; or
3. Provide alternative direction.

#### **ENVIRONMENTAL REVIEW:**

This project is a General Exemption under the California Environmental Quality Act.

**Prepared by:** Miguel Hernandez, Public Works Project Supervisor

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### **Fiscal Impact**

#### **FISCAL IMPACT:**

The Fiscal Year 2019-20 Engineer's Report for LMD6 recommends that the assessment rate be maintained at their current levels. The assessment rate for LMD6 is based on a special uniform benefit to the property owners and is recommended to remain at its current level of \$650 per lot annually (\$54.16 per month). The projected income from the recommended rates is \$154,700. Including the balance of \$175,758 from the previous year, the total funds available is \$330,458.

The preliminary operating budget for LMD6 is \$161,947, which is an increase of 1.39% when compared to the approved/amended budget for Fiscal Year 2018-19. The proposed operating budget funds only the regular landscape maintenance services.

There are no legal requirements or formal guidelines for the amount of reserves in an assessment district; however,

at least 50% is required to cover cash flow. A reserve between 100% and 200% is recommended by staff to cover cash flow, future capital projects, emergencies, and as a benefit it also provides interest income.

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**Attachments**

- Attachment No. 1 - Rate History
  - Attachment No. 2 - LMD6 Engineer's Report
  - Attachment No. 3 - 10 Year Projection
  - Attachment No. 4 - Resolution No. 2019-39
-

**West Covina  
Landscape Maintenance District No.6  
15 Year Rate History**

<b>Fiscal Year</b>	<b>Per Unit Zone</b>
<b>2019/20 Proposed</b>	<b>\$650.00</b>
2018/19	\$650.00
2017/18	\$650.00
2016/17	\$650.00
2015/16	\$650.00
2014/15	\$650.00
2013/14	\$650.00
2012/13	\$650.00
2011/12	\$650.00
2010/11	\$650.00
2009/10	\$617.41
2008/09	\$588.01
2007/08	\$520.36
2006/07	\$460.49
2005/06	\$407.52





# **City of West Covina**

## **Landscape Maintenance District No. 6**

### **FISCAL YEAR 2019-20 ENGINEER'S REPORT**

Intent Meeting: May 7, 2019

Public Hearing: June 4, 2019

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# ENGINEER'S REPORT AFFIDAVIT

## City of West Covina Landscape Maintenance District No. 6

City of West Covina,  
County of Los Angeles, State of California

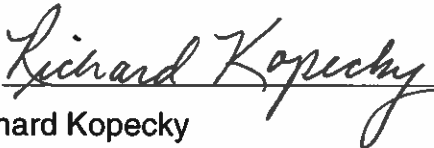
This Report describes the District including the improvements, budgets, parcels and assessments to be levied for Fiscal Year 2019/2020 as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Los Angeles County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this 6th day of May, 2019.

Willdan Financial Services  
Assessment Engineer  
On Behalf of the City of West Covina

By: 

Susana Hernandez, Project Manager  
District Administration Services

By: 

Richard Kopecky  
R. C. E. # 16742



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## OVERVIEW

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The City of West Covina (“City”), annually levies and collects assessments in order to provide and maintain facilities, improvements and services within Landscape Maintenance District No. 6 (“District”). The District was established in 1980 pursuant to the *Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code* (“1972 Act”). The District was created at the request of the owner of the development in lieu of forming a Homeowner’s Association. The funds collected by the District are used to maintain landscaping and irrigation in public open space areas within its boundaries.

The Engineer’s Report (“Report”) has been prepared pursuant to Chapter 1, Article 4 and Chapter 3 of the 1972 Act, and presented to the City Council for their consideration and approval of the proposed improvements and services to be provided within the District and the levy and collection of annual assessments for Fiscal Year (“FY”) 2019-20.

This Report describes the District, the improvements and the proposed assessments to be levied against properties in connection with the benefits the properties will receive from the maintenance and servicing of the District improvements for FY 2019-20. The annual assessments to be levied on properties within the District provide a funding source for the continued operation and maintenance of local landscape improvements installed in connection with the development of properties within the District. Each fiscal year, the City establishes the District’s assessments based on an estimate of the costs to maintain, operate and service the landscape improvements and based upon available revenues including fund balances, City contributions and assessment limits. The costs of the improvements and the proposed annual assessments budgeted and assessed against properties within the District may include: the estimated expenditures for regular annual maintenance and repairs; incidental expenditures related to the operation and administration of the District; deficits or surpluses from prior years; revenues from other sources; and the collection of adequate funds for operational reserves or periodic expenditures including installments collected for long-term improvement projects. Each parcel is assessed proportionately for only those improvements, services and expenses for which the parcel will receive special benefit.

The word “parcel,” for the purposes of this Report, refers to an individual property assigned its own Assessor’s Parcel Number (“APN”) by the Los Angeles County (“County”) Assessor’s Office. The County Auditor/Controller uses Assessor’s Parcel Numbers and specific Fund Numbers to identify properties to be assessed on the tax roll for the special benefit assessments.

At a noticed annual Public Hearing, the City Council will accept all public comments and written protests regarding the District and the annual levy of assessments.

Upon conclusion of the Public Hearing, the City Council will consider all public comments and review the Report. The City Council may order amendments to the Report or confirm the Report as submitted. Following final approval of the Report and confirmation of the assessments the Council will, by Resolution, order the improvements to be made and confirm the levy and collection of assessments pursuant to the 1972 Act. The assessments as approved will be submitted to the County Auditor/Controller to be included on the property tax roll for each parcel.

While the budgets outlined in this Report reflect the estimated costs necessary to fully and adequately provide for the maintenance and operation of the improvements within the District, many of these estimated costs and associated services cannot be funded by the current assessment revenues. To fully fund the improvements, it will be necessary to increase assessment revenues which will require the support of the property owners for new or increased assessments through a ballot proceeding conducted under the provisions of the California Constitution Article XIID. Although such proceedings are not being conducted this fiscal year and the proposed District assessments for FY 2019-20 are not being increased over the assessments levied in the prior fiscal year, such assessment increases may be considered in the future due to the rising costs associated with the Maintenance District improvements.

As required by the 1972 Act, this Engineer's Report describes the improvements to be operated, maintained and serviced by the District, an estimated budget for the District improvements, and the proposed assessments to be levied upon each assessable lot or parcel within the Maintenance District for FY 2019-20.

This Report consists of five (5) parts:

## **Part I**

**Plans and Specifications:** A general description of the District and the improvements for which parcels are assessed. The proposed assessments as outlined in this Report are based on the improvements that provide a special benefit to the properties within the District. The plans and specifications contained in this Report generally describe the nature, location and extent of the improvements.

## **Part II**

**Method of Apportionment:** A description of how the proportionate amount of the assessments is to be charged in proportion to the benefits received by each lot or parcel within the boundaries of the District.

## **Part III**

**Estimate of Costs:** An estimate of the annual costs to properly operate, maintain, and service the landscape improvements and appurtenant facilities. This budget includes an estimate of the maintenance costs and incidental expenses including,

but not limited to: labor, materials, equipment and administration expenses as well as the collection of appropriate funding necessary to properly support the improvements. Not all services and costs identified in these budgets can be supported by the current assessment revenues and City contributions, and as such, City staff shall make the determination of which services and activities shall be provided based on available revenues.

## Part IV

**Boundary Map:** A diagram showing the boundaries of the District is provided in this Report and includes all parcels determined to receive special benefits from the improvements. Parcel identification, the lines and dimensions of each lot, parcel and subdivision of land within the District are shown on the Los Angeles County Assessor's Parcel Maps, and shall include any subsequent lot line adjustments or parcel changes therein. Reference is hereby made to the Los Angeles County Assessor's Parcel Maps for a detailed description of the lines and dimensions of each lot and parcel of land within the District. A diagram showing the overall boundaries of the District is on file with the City Clerk and the Office of the City Engineer, and by reference is made part of this Report.

## Part V

**Assessment Roll:** A listing of the assessment amount associated with each parcel within the District. The assessments presented herein are unchanged from the previous fiscal year.

## ***PROPOSITION 218 COMPLIANCE***

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On November 5, 1996, California voters approved Proposition 218 ("Prop 218"). This Proposition amended the California Constitution and was the latest in a series of initiatives reducing the revenue-raising discretion of California local governments. The provisions of the Proposition, now California Constitution Articles XIII C and XIII D, can be summarized in four general areas:

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

Prop 218 required that beginning July 1, 1997, all new and existing assessments (with some exceptions) must conform to new substantive and procedural

requirements. However, certain assessments are exempted from these requirements until they are increased.

Generally, these exemptions include:

- (a) Assessments used exclusively to fund sidewalks, streets, sewers, water, flood control, drainage systems, or vector control.
- (b) Assessments imposed pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment is initially imposed.
- (c) Assessments used exclusively for bond repayments, the cessation of which would violate the Contract Impairment Clause of the U.S. Constitution.
- (d) Assessments previously approved by a majority of voters.

Since the District and the related assessments were established in 1980 at the request of the owner of the property, the initial District assessments were not required to conform with the Article XIID substantive and procedural requirements. The maximum assessment rate for the District at the time of the passage of Prop 218 was \$650.00 previously approved by the City Council in Fiscal Year 1984/'85. Any subsequent increases in the assessments above the maximum rate previously approved by City Council prior to November 5, 1996 will be subject to the procedures and approval process of Section 4 of Article XIID of the California Constitution.



## ***I. PLANS AND SPECIFICATIONS***

---

### **A. DESCRIPTION OF WORK**

The existing facilities to be maintained and serviced include public open space, manufactured slopes, and appurtenant facilities. There are approximately 12 acres of landscaped and irrigated area and 65 acres of natural open space within the District.

The District will fund the costs in connection with the District maintenance and servicing including, but not limited to, personnel, electrical energy, water, materials, contracting services, and other expenses necessary for the satisfactory operation of these facilities. The facilities are described as follows:

#### Landscaping and Appurtenant Facilities

Facilities include but are not limited to trees, irrigation system, hardscape, fixtures, sidewalk maintenance resulting from landscape growth and appurtenant facilities, in open spaces and dedicated easements within the boundaries of the District.

“Maintenance” means the furnishing of services and materials for the ordinary and usual operation, maintenance and servicing of the landscaping, and appurtenant facilities, including repair, removal or replacement of all or part of any of the landscaping or appurtenant facilities; providing for the life, growth, health, and beauty of the landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, and treating for disease or injury; the removal of trimmings, rubbish, debris and other solid waste; and the cleaning, sandblasting and painting of walls and the improvements to remove or cover graffiti.

“Servicing” means the furnishing of water for the irrigation of landscaping and the maintenance or operation of landscaping or appurtenant facilities.

### **B. IMPROVEMENTS AUTHORIZED BY THE 1972 ACT**

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

- The installation or planting of landscaping.
- The installation or construction of statuary, fountains, and other ornamental structures and facilities.
- The installation or construction of public lighting facilities.
- The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof, including, but not limited to, grading, clearing, removal



of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.

- The maintenance or servicing, or both, of any of the foregoing.
- The acquisition of any existing improvement otherwise authorized pursuant to this section.

Incidental expenses associated with the improvements including, but not limited to:

- The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
- The costs of printing, advertising, and the publishing, posting and mailing of notices;
- Compensation payable to the County for collection of assessments;
- Compensation of any engineer or attorney employed to render services;
- Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
- Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.
- Costs associated with any elections held for the approval of a new or increased assessment.

The 1972 Act defines "Maintain" or "Maintenance" to mean furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:

- Repair, removal, or replacement of all or any part of any improvement.
- Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury.
- The removal of trimmings, rubbish, debris, and other solid waste.
- The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

### **C. DESCRIPTION OF IMPROVEMENTS AND SERVICES**

The District is located in the easterly end of the City known as South Hills on the westerly-facing slopes of the San Jose Hills. The District contains 238 single-family dwellings, approximately 12 acres of landscaped and irrigated area, and approximately 65 acres of natural area.

The following outlines the various improvements associated with the properties and developments throughout the District. The detailed plans and specifications of the District improvements are on file in the office of the City Public Works Department and by reference are made part of this Report.

Ongoing and Completed Capital Improvement Projects:

FY 2018-19, improvements included:

- Drought tolerant landscaping and water-wise irrigation improvements.  
Total Cost of Improvements: \$50,000

## **//. METHOD OF APPORTIONMENT**

---

The 1972 Act permits the establishment of assessment Districts by agencies for the purpose of providing certain public improvements which include the construction, maintenance, and servicing of public lights, landscaping and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

*"The net amount to be assessed upon lands within an assessment District may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."*

Because assessments are levied on the basis of benefit, they are not a tax, and, therefore, are not governed by Article XIII A of the California Constitution.

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

The 1972 Act also permits certain parcels to be exempt from assessment. Excluded from these assessments are areas of all publicly owned property such as: public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, all public easements, and right-of-way, all public parks, public greenbelts and parkways, and all public property being used for public purposes. However, per Proposition 218, any publicly owned property that benefits from District improvements shall be assessed its proportional share of District costs.

The formula used for calculating assessments in this District reflects the composition of the parcels, and the improvements and services provided in order to fairly apportion the costs based on estimated benefit to each parcel.

### **A. BENEFIT ANALYSIS**

All parcels in the District derive benefit from the maintenance and servicing of trees, landscaping, hardscaping and appurtenant facilities. The intent of this Report is to establish a methodology that fairly distributes the cost of the system in relation to the benefit received.

The assessment ratio for all properties is based on dwelling units. Each single family residential parcel, condominium complex, apartment, duplex, triplex, mobile home park, and other developed land is assessed per dwelling unit. This pro-rata accounts for an adjustment for street right-of-way and public easements.

## B. ASSESSMENT METHODOLOGY

The methods of apportionment utilized for the District calculates the receipt of special benefit from the respective improvements based on the actual or proposed land use of the parcels. The special benefit received by each lot or parcel is equated to the overall land use of the parcel based on the parcel's actual land use or proposed planned development, and is reliant upon the special benefit received from the improvements planned or existing within the District.

To identify and determine the special benefit to be received by each parcel, it is necessary to consider the entire scope of the improvements. The costs associated with the improvements shall be fairly distributed among the parcels based upon the special benefit received by each parcel. Additionally, in compliance with Section 4 of Article XIID, each parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred to that parcel. The benefit formula used to determine the assessment obligation is therefore based upon both the improvements that benefit the parcels of the District as well as the proposed land use of each property as compared to other parcels that benefit from those specific improvements.

All properties in the District benefit from the maintenance and servicing of trees, landscaping, hardscaping and appurtenant facilities. There are 238 parcels within the District equating 238 dwelling units.

Therefore, the assessment rate for the District is proposed to be maintained as:

$$\frac{\$154,700.00}{238} = \$650.00 \text{ DU}$$

The following table summarizes the assessment rates and compares the proposed assessment with last year's assessment.

**City of West Covina  
Landscape Maintenance District No. 6  
FY 2019-20 Preliminary Assessment Summary and Comparison**

Assessment Year	# of Parcels	Dwelling Units	FY 2018-19 Assessment Rate	FY 2019-20 Proposed Assessment Rate	Total Assessment
2019-20	238	238	\$650	\$650	\$154,700

### ***III. ESTIMATE OF COST***

---

The total estimate of costs for maintenance of the proposed improvements for FY 2019-20, as defined under Section 22569 of the 1972 Act, are those as hereinafter set forth. Said cost estimates include the total District costs for constructing or installing any proposed improvements and for maintenance and servicing the existing improvements including incidental expenses; the amount of any surplus or deficit in the maintenance fund to be carried over from the previous year; any annual installments to be collected over more than a single year; as well as the amount of any contributions to be made from any other sources.

#### **A. CAPITAL IMPROVEMENT PROJECT FUND**

For FY 2019-20, there are no capital improvements.

## **B. SUMMARY OF TOTAL COSTS**

The City's budget for the operation and services costs detail the estimated costs and fund balances for FY 2019-20 as available at the time of preparation of this Report. The 1972 Act provides that the total cost can be recovered in the assessment spread including incidental expenses. The latter can include engineering fees, legal fees, printing, mailing, postage, publishing, and all other related costs identified with the District proceedings.

The 1972 Act requires that a special fund be set-up for the revenue and expenditures of the District. Funds raised by assessment shall be used only for the purpose as stated herein. A contribution to the District by the City may be made to reduce assessments, as the City Council deems appropriate. Any balance or deficit remaining on July 1<sup>st</sup> must be carried over to the next fiscal year.

**City of West Covina  
Landscape Maintenance District No. 6  
Fiscal Year 2019-20  
Estimated Costs for Landscape Maintenance**

**Expenditures**

<b>Direct Maintenance</b>		<b>Totals</b>
Personnel Services		<b>\$37,812</b>
<b>Materials and Services</b>		
Maintenance Contracts	\$68,881	
Utilities (electricity & water)	23,000	
Property & Liability Insurance*	0	
Administration & Overhead*	5,202	
Best Management Practices Implementation	14,565	
<b>Subtotal</b>		<b>\$111,648</b>
<b>Engineering &amp; Incidental</b>		
Full Time Salaries and Benefits	\$7,487	
NPDES	5,000	
Equipment Outlay	0	
<b>Subtotal</b>		<b>\$12,487</b>
<b>Total Operating Budget</b>		<b>\$161,947</b>
<b>Capital Improvement <sup>(1)</sup></b>		<b>0</b>
<b>Total Operating and Capital Budget</b>		<b>\$161,947</b>
<b>Contingency and Reserves</b>		
Cash Flow Reserves	\$80,974	
Contingency	87,537	
<b>Total Contingency and Reserves</b>		<b>\$168,511</b>

<b>Total District Expenditures</b>	<b>\$330,458</b>
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**Revenues**

Assessment Income (Total Balance to Levy)	\$154,700	
<b>Total Estimated Revenues</b>		<b>\$154,700</b>

<b>Projected Fund Balance (06/30/19)</b>	175,758
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<b>Total Funds Available</b>	<b>\$330,458</b>
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<sup>(1)</sup> See Capital Improvement Project Fund Section III. A.

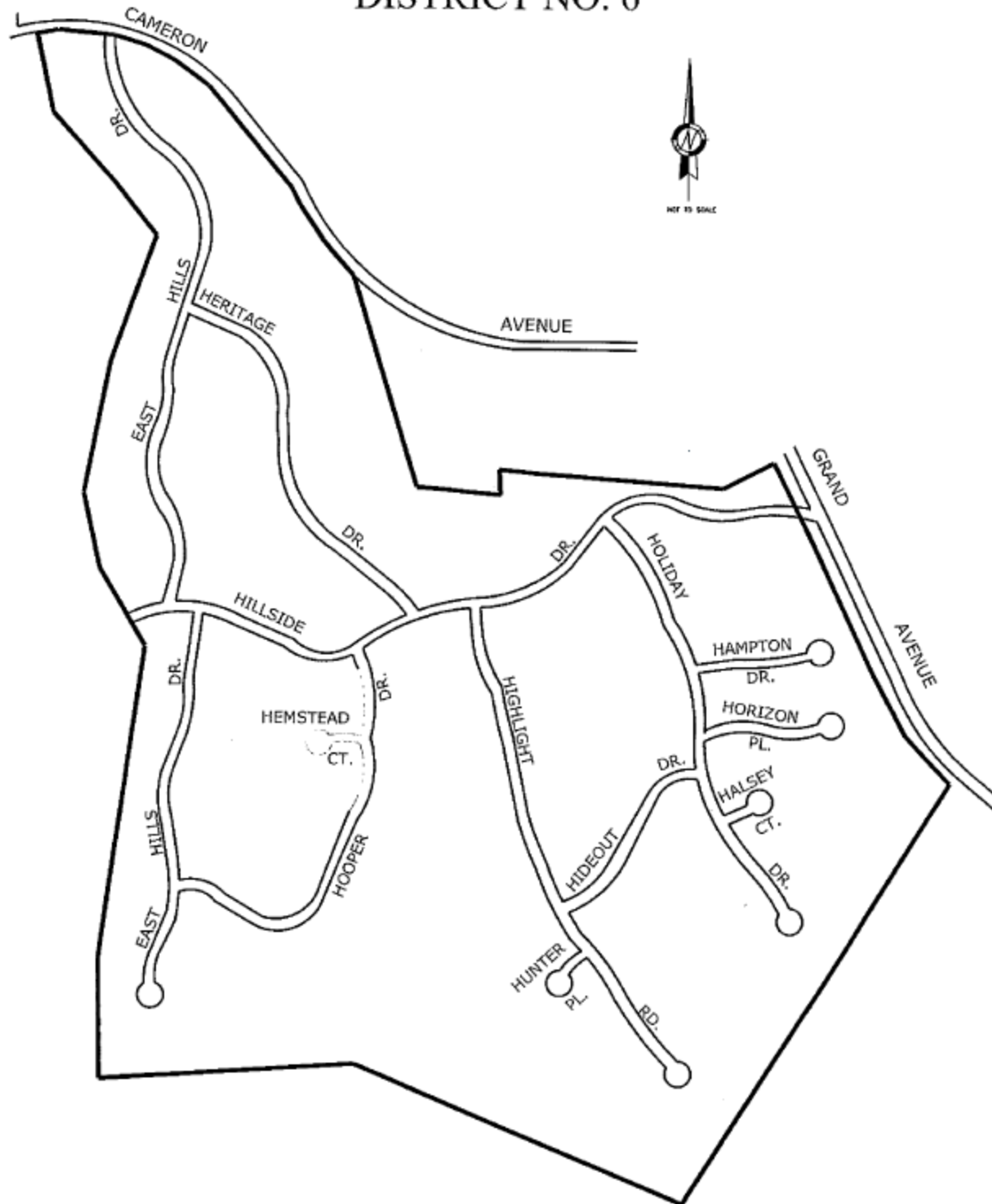
#### ***IV. BOUNDARY MAP***

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A diagram showing the exterior boundaries of the District and the lines and dimension of each lot or parcel of land within the District is on file in the Office of the City Engineer and incorporated herein by reference. The lines and dimensions shown on the Los Angeles County Assessor's parcel maps for the current year are incorporated by reference and made part of this Report.



# CITY OF WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 6



## ***V. ASSESSMENT ROLL***

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Parcel identification for each lot or parcel within the District shall be the parcel as shown on the Los Angeles County Secured Roll for the year in which this Report is prepared and reflective of the Assessor's Parcel Maps. A listing of the proposed lots and parcels to be assessed within this District along with the assessment amounts shall be submitted to the City Clerk, under a separate cover, and by reference is made part of this Report.

**West Covina Landscape Maintenance District No. 6**  
**10 Year Fiscal Projection**

<b>Percent Increase</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
<b>Fiscal Year</b>	<b>19-20</b>	<b>20-21</b>	<b>21-22</b>	<b>22-23</b>	<b>23-24</b>	<b>24-25</b>	<b>25-26</b>	<b>26-27</b>	<b>27-28</b>	<b>28-29</b>
<b>Assessment Income</b>	<b>\$154,700</b>	<b>\$154,700</b>	<b>\$154,700</b>	<b>\$154,700</b>	<b>\$154,700</b>	<b>\$154,700</b>	<b>\$154,700</b>	<b>\$154,700</b>	<b>\$154,700</b>	<b>\$154,700</b>
Prior Year Balance	175,758	168,511	158,025	144,235	127,076	106,479	82,377	54,698	23,372	(11,675)
<b>Total Funding</b>	<b>\$330,458</b>	<b>\$323,211</b>	<b>\$312,725</b>	<b>\$298,935</b>	<b>\$281,776</b>	<b>\$261,179</b>	<b>\$237,077</b>	<b>\$209,398</b>	<b>\$178,072</b>	<b>\$143,025</b>
Maintenance Costs <sup>(1)</sup>	161,947	165,186	168,490	171,859	175,297	178,803	182,379	186,026	189,747	193,542
<b>Total Cost</b>	<b>\$161,947</b>	<b>\$165,186</b>	<b>\$168,490</b>	<b>\$171,859</b>	<b>\$175,297</b>	<b>\$178,803</b>	<b>\$182,379</b>	<b>\$186,026</b>	<b>\$189,747</b>	<b>\$193,542</b>
<b>Ending Balance</b>	<b>\$168,511</b>	<b>\$158,025</b>	<b>\$144,235</b>	<b>\$127,076</b>	<b>\$106,479</b>	<b>\$82,377</b>	<b>\$54,698</b>	<b>\$23,372</b>	<b>(\$11,675)</b>	<b>(\$50,516)</b>
Cash Flow	80,974	82,593	84,245	85,930	87,648	89,401	91,189	93,013	94,873	96,771
Over/Under	87,538	75,432	59,991	41,146	18,831	(7,025)	(36,491)	(69,641)	(106,548)	(147,287)
Assessment of Highest Zone <sup>(2)</sup>	\$650	\$650	\$650	\$650	\$650	\$650	\$650	\$650	\$650	\$650

Notes: (1) 2% increase in maintenance cost each year due to inflation.

(2) Previously approved maximum highest rate of \$650, may not be increased further without vote.

**RESOLUTION NO. 2019-39**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING THE ENGINEER'S REPORT AND CONFIRMING A DIAGRAM AND ASSESSMENT FOR FISCAL YEAR 2019-20 FOR LANDSCAPE MAINTENANCE DISTRICT NO. 6**

**WHEREAS**, the City's Landscape Maintenance District No. 6 (the "District") has been established pursuant to the Landscaping and Lighting Act of 1972 (Streets & Highways Code Section 22500 *et seq.*) (the "Act") to fund the maintenance and servicing of certain public landscaping and appurtenant facilities in the City; and

**WHEREAS**, in connection with the District, the City annually levies an assessment against real property; and

**WHEREAS**, by its Resolution No. 2019-23, adopted May 7<sup>th</sup>, 2019, the City Council directed Willdan Financial, as assessment engineer (the "Engineer"), to prepare and file a report regarding the District; and

**WHEREAS**, the Engineer filed said report, entitled "City of West Covina, Landscape Maintenance District No. 6, Fiscal Year 2019-20 Engineer's Report" (the "Report"), which is on file and available for public inspection in the Office of the City Clerk and is incorporated herein by reference; and

**WHEREAS**, by its Resolution No. 2019-24, adopted May 7<sup>th</sup>, 2019, the City Council preliminarily approved the Report, declared its intention to levy an assessment in connection with the District for Fiscal Year 2019-20, and called a public hearing on the assessment for June 4, 2019 (the "Hearing"); and

**WHEREAS**, at the hearing, which was noticed as required by law, all interested persons were afforded the opportunity to hear and be heard and the City Council considered all oral and written statements and all written protests made or filed by any interested person; and

**WHEREAS**, the City Council now desires to completed proceedings to levy the Fiscal Year 2019-20 assessment in connection with the District.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, DOES RESOLVE AS FOLLOWS:**

**SECTION 1.** The Report is hereby finally approved as filed.

**SECTION 2.** The City Council hereby confirms the diagram and assessment contained in the Report.

**SECTION 3.** Pursuant to Section 22631 of the Act, the adoption of this Resolution shall constitute the levy of the assessment for Fiscal Year 2019-20.

**SECTION 4.** The City Clerk is directed file the diagram and assessment, or a certified copy thereof, with the county auditor. The assessments shall be collected at the same time and in the same

manner as county taxes are collected, and all laws providing for the collection and enforcement of county taxes shall apply to the collection and enforcement of the assessments

**SECTION 5.** The City Council finds that the levy and collection of these assessments is statutorily exempt from CEQA pursuant to Section 15273 of the Guidelines, in that the proceeds of the assessments are to be used for meeting operating expenses, purchasing supplies and meeting financial reserves needs and requirements.

**SECTION 6.** The City Clerk shall certify to the adoption of this resolution.

**PASSED, APPROVED AND ADOPTED** on June 4, 2019.

\_\_\_\_\_  
Lloyd Johnson  
Mayor

**APPROVED AS FORM**

**ATTEST**

\_\_\_\_\_  
Scott E. Porter  
City Attorney

\_\_\_\_\_  
Carrie Gallagher, CMC  
Assistant City Clerk

I, CARRIE GALLAGHER, ASSISTANT CITY CLERK of the City of West Covina, California, do hereby certify that the foregoing resolution was duly adopted by the City Council of the City of West Covina, California, at a regular meeting thereof held on the 4<sup>th</sup> day of June 2019, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Carrie Gallagher, CMC  
Assistant City Clerk



## AGENDA STAFF REPORT

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City of West Covina | Office of the City Manager

**DATE:** June 4, 2019

**TO:** Mayor and City Council

**FROM:** David Carmany  
Interim City Manager

**SUBJECT: WEST COVINA LANDSCAPE MAINTENANCE DISTRICT NO. 7 PUBLIC HEARING**

---

### RECOMMENDATION:

It is recommended that the City Council adopt the following resolution, which provides for the assessment rates in Landscape Maintenance District No. 7 to be maintained at their current levels:

**RESOLUTION NO. 2019-40 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING THE ENGINEER'S REPORT AND CONFIRMING A DIAGRAM AND ASSESSMENT FOR FISCAL YEAR 2019-20 FOR LANDSCAPE MAINTENANCE DISTRICT NO. 7**

### BACKGROUND:

The Landscaping and Lighting Act of 1972 (Streets & Highways Code 22500 et seq.) sets forth requirements for annual proceedings for a Landscape Maintenance District (LMD). A LMD is not a separate entity of the City. It is a financing vehicle utilized when the development of a neighborhood in the community is identified to specially benefit by certain improvements, such as parks, playgrounds, landscapes, sidewalks, trees, etc. Due to this special benefit, landowners in the identified area are assessed to pay the costs of the construction and/or ongoing maintenance of such improvements.

Each LMD is created through formation proceedings (also known as a vote of the affected property owners) pursuant to the Landscaping and Lighting Act of 1972 (the "1972 Act"). This usually occurs at the time a residential or commercial project is first developed. The "1972 Act" allows a local agency (such as the City of West Covina) to levy an annual assessment for the maintenance of the community improvements, based on special benefit directly or indirectly, to the property owners within the LMD. Annual assessments are paid as part of a line-item on individual property tax bills.

This report concerns LMD No. 7 (LMD7). LMD7 was established in 1980 at the request of the owner of the development in lieu of forming a Homeowners' Association. LMD7 is generally located in the easterly end of the City. The funds collected by the district are used to maintain landscaping, irrigation and hard scape (e.g. sidewalks, walls, graffiti abatement, clean-up of site, etc.) in public open space areas within its boundaries. Currently, LMD7 contains 372 improved and 8 unimproved single-family residential parcels. When development is 100 percent complete, LMD7 will contain 380 developed single residential parcels, 25 acres of landscaped and irrigated area, and 105 acres of natural area.

## **DISCUSSION:**

The Landscaping and Lighting Act of 1972 specifies the procedures for renewal of landscape maintenance districts. At its regular meeting on May 7th, 2019, the City Council preliminarily approved the Engineer's Report prepared pursuant to the provisions of the "Landscaping and Lighting Act of 1972" and Proposition 218. The City Council also adopted Resolution No. 2019-26 declaring its intention to levy and collect the assessment and set June 4, 2019, as the date for the public hearing.

The preliminary approval of the Engineer's Report does not commit the City Council to adopt the proposed assessments for the District. During or after the public hearing, the City Council may maintain or reduce the assessment rates and revise expenditures that are funded by the District. The City Council's action only becomes final when the assessments are confirmed by resolution upon completion of the public hearing. However, it cannot raise the rate that is now capped by Proposition 2018.

The next step is the approval of the assessment rates. Following the Public Hearing, the City Council may adopt a resolution confirming the diagram and assessment levy either as proposed or as revised by the City Council. This action levies the assessment for the Fiscal Year.

At this time, staff is recommending that the assessment rates be maintained at their current levels for Fiscal Year 2019-20. The annual assessment rates for LMD7 will be maintained at \$464.06 per developed lot and \$139.22 per undeveloped lot.

## **LEGAL REVIEW:**

The City Attorney has reviewed and approved the staff report, resolutions, and preliminary Engineer's Report.

## **OPTIONS:**

The City Council has the following options:

1. Approve staff's recommendation to maintain the assessment rates at their current levels. The attached "10-Year Fiscal Projection" shows rates being maintained at their current levels and the reserve levels over the next 10 years; or
2. Reduce the assessment rates; LMD7's reserves will be depleted at a faster pace requiring the City's General Fund to subsidize the district; or
3. Provide alternative direction.

## **ENVIRONMENTAL REVIEW:**

This project is a General Exemption under the California Environmental Quality Act.

**Prepared by:** Miguel Hernandez, Public Works Project Supervisor

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## **Fiscal Impact**

### **FISCAL IMPACT:**

The Fiscal Year 2019-20 Engineer's Report for LMD7 recommends that the assessment rates be maintained at their current levels. The annual assessment rates for LMD7 will be maintained at \$464.06 per improved lot and \$139.22 per unimproved lot. The total projected revenue is \$173,744 including interest. Including the \$221,920 balance from the previous year, the total funds available is \$397,664.

The preliminary operating budget for LMD7 for Fiscal Year 2019-20 is \$171,285 which is an increase of .33% compared to the approved/amended budget for Fiscal Year 2018-19. The proposed operating budget funds not only the regular landscape maintenance but is also able to fund some improvements, such as irrigation system improvements and enhancement to existing landscaping.

Upon 100% completion of the development within LMD7, there will be 380 improved residential lots. The district's open space area will increase to 25 acres of landscaped and irrigated area and 105 acres of natural open

space area, for a total of 130 acres. The total cost to maintain these areas is estimated at \$200,000.

There are no legal requirements or formal guidelines for the amount of reserves in an assessment district; however, at least 50% is required to cover cash flow. A reserve between 100% and 200% is recommended by staff to cover cash flow, future capital projects, emergencies, and as a benefit it also provides interest income.

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### **Attachments**

Attachment No. 1 - Rate History

Attachment No. 2 - LMD7 Engineer's Report

Attachment No. 3 - 10 Year Projection

Attachment No. 4 - Resolution No. 2019-40

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**West Covina  
Landscape Maintenance District No.7  
15 Rate History**

<b>Fiscal Year</b>	<b>Improved Per Lot</b>	<b>Unimproved Per Lot</b>
<b>2019/20</b>		
<b>Proposed</b>	<b>\$464.06</b>	<b>\$139.22</b>
2018/19	\$464.06	\$139.22
2017/18	\$464.06	\$139.22
2016/17	\$464.06	\$139.22
2015/16	\$454.96	\$136.49
2014/15	\$454.96	\$136.49
2013/14	\$454.96	\$136.49
2012/13	\$446.04	\$133.81
2011/12	\$437.29	\$131.19
2010/11	\$428.72	\$128.62
2009/10	\$389.74	\$116.92
2008/09	\$354.31	\$106.29
2007/08	\$322.10	\$96.63
2006/07	\$292.82	\$87.85
2005/06	\$266.20	\$79.86



# **City of West Covina**

## **Landscape Maintenance District No. 7**

### **FISCAL YEAR 2019-20 ENGINEER'S REPORT**

Intent Meeting: May 7, 2019

Public Hearing: June 4, 2019

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# ENGINEER'S REPORT AFFIDAVIT

## City of West Covina Landscape Maintenance District No. 7

City of West Covina,  
County of Los Angeles, State of California

This Report describes the District including the improvements, budgets, parcels and assessments to be levied for Fiscal Year 2019/2020 as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Los Angeles County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this 6th day of May, 2019.

Willdan Financial Services  
Assessment Engineer  
On Behalf of the City of West Covina

By: \_\_\_\_\_

Susana Hernandez, Project Manager  
District Administration Services

By: \_\_\_\_\_

Richard Kopecky  
R. C. E. # 16742



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## OVERVIEW

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The City of West Covina (“City”), annually levies and collects assessments in order to provide and maintain facilities, improvements and services within Landscape Maintenance District No. 7 (“District”). The District was established in 1980 pursuant to the *Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code* (“1972 Act”). The District was created at the request of the owner of the development in lieu of forming a Homeowner’s Association. The funds collected by the District are used to maintain landscaping and irrigation in public open space areas within its boundaries.

The Engineer’s Report (“Report”) has been prepared pursuant to Chapter 1, Article 4 and Chapter 3 of the 1972 Act, and presented to the City Council for their consideration and approval of the proposed improvements and services to be provided within the District and the levy and collection of annual assessments for Fiscal Year (“FY”) 2019-20.

This Report describes the District, the improvements and the proposed assessments to be levied against properties in connection with the benefits the properties will receive from the maintenance and servicing of the District improvements for FY 2019-20. The annual assessments to be levied on properties within the District provide a funding source for the continued operation and maintenance of local landscape improvements installed in connection with the development of properties within the District. Each fiscal year, the City establishes the District’s assessments based on an estimate of the costs to maintain, operate and service the landscape improvements and based upon available revenues including fund balances, City contributions and assessment limits. The costs of the improvements and the proposed annual assessments budgeted and assessed against properties within the District may include: the estimated expenditures for regular annual maintenance and repairs; incidental expenditures related to the operation and administration of the District; deficits or surpluses from prior years; revenues from other sources; and the collection of adequate funds for operational reserves or periodic expenditures including installments collected for long-term improvement projects. Each parcel is assessed proportionately for only those improvements, services and expenses for which the parcel will receive special benefit.

The word “parcel,” for the purposes of this Report, refers to an individual property assigned its own Assessor’s Parcel Number (“APN”) by the Los Angeles County (“County”) Assessor’s Office. The County Auditor/Controller uses Assessor’s Parcel Numbers and specific Fund Numbers to identify properties to be assessed on the tax roll for the special benefit assessments.

At a noticed annual Public Hearing, the City Council will accept all public comments and written protests regarding the District and the annual levy of assessments. Upon conclusion of the Public Hearing, the City Council will consider all public comments and review the Report. The City Council may order amendments to the Report or confirm the Report as submitted. Following final approval of the Report and

confirmation of the assessments the Council will, by Resolution, order the improvements to be made and confirm the levy and collection of assessments pursuant to the 1972 Act. The assessments as approved will be submitted to the County Auditor/Controller to be included on the property tax roll for each parcel.

While the budgets outlined in this Report reflect the estimated costs necessary to fully and adequately provide for the maintenance and operation of the improvements within the District, many of these estimated costs and associated services cannot be funded by the current assessment revenues and contributions from the City. To fully fund the improvements, it will be necessary to increase assessment revenues which will require the support of the property owners for new or increased assessments through a ballot proceeding conducted under the provisions of the California Constitution Article XIID. Although such proceedings are not being conducted this fiscal year and the proposed District assessments for FY 2019-20 are not being increased over the assessments levied in the prior fiscal year, such assessment increases may be considered in the future due to the rising costs associated with the District improvements.

As required by the 1972 Act, this Engineer's Report describes the improvements to be operated, maintained and serviced by the District, an estimated budget for the District improvements, and the proposed assessments to be levied upon each assessable lot or parcel within the District for FY 2019-20.

This Report consists of five (5) parts:

## **Part I**

**Plans and Specifications:** A general description of the District and the improvements for which parcels are assessed. The proposed assessments as outlined in this Report are based on the improvements that provide a special benefit to the properties within the District. The plans and specifications contained in this Report generally describe the nature, location and extent of the improvements.

## **Part II**

**Method of Apportionment:** A description of how the proportionate amount of the assessments is to be charged in proportion to the benefits received by each lot or parcel within the boundaries of the District.

## **Part III**

**Estimate of Costs:** An estimate of the annual costs to properly operate, maintain, and service the landscape improvements and appurtenant facilities. This budget includes an estimate of the maintenance costs and incidental expenses including, but not limited to: labor, materials, equipment and administration expenses as well as the collection of appropriate funding necessary to properly support the improvements. Not all services and costs identified in these budgets can be supported by the current

assessment revenues and City contributions, and as such, City staff shall make the determination of which services and activities shall be provided based on available revenues.

## Part IV

**Boundary Map:** A diagram showing the boundaries of the District is provided in this Report and includes all parcels determined to receive special benefits from the improvements. Parcel identification, the lines and dimensions of each lot, parcel and subdivision of land within the District are shown on the Los Angeles County Assessor's Parcel Maps, and shall include any subsequent lot line adjustments or parcel changes therein. Reference is hereby made to the Los Angeles County Assessor's Parcel Maps for a detailed description of the lines and dimensions of each lot and parcel of land within the District. A diagram showing the overall boundaries of the District is on file with the City Clerk and the Office of the City Engineer, and by reference is made part of this Report.

## Part V

**Assessment Roll:** A listing of the assessment amount associated with each parcel within the District. The assessments presented herein are unchanged from the previous fiscal year.

## ***PROPOSITION 218 COMPLIANCE***

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On November 5, 1996, California voters approved Proposition 218 ("Proposition"). This Proposition amended the California Constitution and was the latest in a series of initiatives reducing the revenue-raising discretion of California local governments. The provisions of the Proposition, now California Constitution Articles XIII C and XIII D, can be summarized in four general areas:

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

Proposition 218 required that beginning July 1, 1997, all new and existing assessments (with some exceptions) must conform to new substantive and procedural requirements. However, certain assessments are exempted from these requirements until they are increased.

Generally, these exemptions include:



- (a) Assessments used exclusively to fund sidewalks, streets, sewers, water, flood control, drainage systems, or vector control.
- (b) Assessments imposed pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment is initially imposed.
- (c) Assessments used exclusively for bond repayments, the cessation of which would violate the Contract Impairment Clause of the U.S. Constitution.
- (d) Assessments previously approved by a majority of voters.

Since the District and the related assessments were established in 1980 at the request of the owner of the property, the initial District assessments were not required to conform with the Article XIID substantive and procedural requirements. The maximum assessment rate for the District at the time of the passage of Prop 218 was \$644.00 previously approved by the City Council in FY 1985-86. Any subsequent increases in the assessments above the maximum rate previously approved by City Council prior to November 5, 1996 will be subject to the procedures and approval process of Section 4 of Article XIID of the California Constitution.



## ***I. PLANS AND SPECIFICATIONS***

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### **A. DESCRIPTION OF WORK**

The existing facilities to be maintained and serviced include public open spaces and manufactured slopes and appurtenant facilities. Upon completion, the District will contain 25 acres of landscaped and irrigated areas and 105 acres of natural open space.

The District will fund the costs in connection with the District maintenance and servicing including, but not limited to, personnel, electrical energy, water, materials, contracting services, and other expenses necessary for the satisfactory operation of these facilities. The facilities are described as follows:

#### Landscaping and Appurtenant Facilities

Facilities include but are not limited to: trees, irrigation system, hardscape, fixtures, sidewalk maintenance resulting from landscape growth and appurtenant facilities, in public open space areas and dedicated easements within the boundaries of the District.

“Maintenance” means the furnishing of services and materials for the ordinary and usual operation, maintenance and servicing of the landscaping and appurtenant facilities, including repair, removal or replacement of all or part of any of the landscaping or appurtenant facilities; providing for the life, growth, health, and beauty of the landscaping, including cultivation, irrigation, trimming, spraying, fertilizing and treating for disease or injury; the removal of trimmings, rubbish, debris and other solid waste; and the cleaning, sandblasting and painting of walls and other improvements to remove or cover graffiti.

“Servicing” means the furnishing of water for the irrigation of landscaping and the maintenance or operation of landscaping or appurtenant facilities.

### **B. IMPROVEMENTS AUTHORIZED BY THE 1972 ACT**

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

- The installation or planting of landscaping.
- The installation or construction of statuary, fountains, and other ornamental structures and facilities.
- The installation or construction of public lighting facilities.
- The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or

servicing thereof, including, but not limited to, grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.

- The maintenance or servicing, or both, of any of the foregoing.
- The acquisition of any existing improvement otherwise authorized pursuant to this section.

Incidental expenses associated with the improvements including, but not limited to:

- The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
- The costs of printing, advertising, and the publishing, posting and mailing of notices;
- Compensation payable to the County for collection of assessments;
- Compensation of any engineer or attorney employed to render services;
- Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
- Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.
- Costs associated with any elections held for the approval of a new or increased assessment.

The 1972 Act defines "Maintain" or "maintenance" to mean furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:

- Repair, removal, or replacement of all or any part of any improvement.
- Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury.
- The removal of trimmings, rubbish, debris, and other solid waste.
- The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

### **C. DESCRIPTION OF IMPROVEMENTS AND SERVICES**

The District is generally located in the easterly end of the City on the north-facing slopes of the San Jose Hills. Currently, the District contains 363 improved single-family residential parcels, approximately 19.5 acres of landscaped and irrigated areas and 92 acres of natural area that is only 91 percent developed. When development is 100 percent complete, the District will contain 380 improved single residential parcels, 25 acres of landscaped and irrigated area, and 105 acres of natural area.

The detailed plans and specifications of the District Improvements are on file in the office of the City Public Works Department and by reference are made part of this Report.

#### **Ongoing and Completed Capital Improvement Projects**

FY 2018-19, improvements included:

- Drought tolerant landscaping and water-wise irrigation improvements  
Total Cost of improvements: \$40,000

## **II. METHOD OF APPORTIONMENT**

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The 1972 Act permits the establishment of assessment Districts by agencies for the purpose of providing certain public improvements which include the construction, maintenance, and servicing of public lights, landscaping and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

*"The net amount to be assessed upon lands within an assessment District may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements."*

Because assessments are levied on the basis of benefit, they are not a tax, and, therefore, are not governed by Article XIII A of the California Constitution.

Pursuant to Section 22574 of the 1972 Act permits the designation of zones of benefits within any individual assessment District if "by reason of variation in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvements." Thus, the 1972 Act requires the levy of a true "assessment" rather than a "special tax."

The 1972 Act also permits certain parcels to be exempt from assessment. Excluded from these assessments are areas of all publicly owned property such as: public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, all public easements, and right-of-way, all public parks, public greenbelts and parkways, and all public property being used for public purposes. However, per Proposition 218, any publicly owned property that benefits from District improvements shall be assessed its proportional share of District costs.

The formula used for calculating assessments in this District reflects the composition of the parcels, and the improvements and services provided in order to fairly apportion the costs based on estimated benefit to each parcel.

### **A. BENEFIT ANALYSIS**

All parcels in the District derive benefit from the open space maintenance. The intent of this report is to establish a methodology that fairly distributes the cost of the system in relation to the benefit received.

The assessment ratio for all properties is based on dwelling units. Each single family residential parcel, condominium complex, apartment, duplex, triplex, mobile home park, and other developed or undeveloped land is assessed per dwelling unit.

### **B. ASSESSMENT METHODOLOGY**

The method of apportionment utilized for the District calculates the receipt of special benefit from the respective improvements based on the actual or proposed land use

of the parcels. The special benefit received by each lot or parcel is equated to the overall land use of the parcel based on the parcel's actual land use or proposed planned development, and is reliant upon the special benefit received from the improvements planned or existing within the District.

To identify and determine the special benefit to be received by each parcel, it is necessary to consider the entire scope of the improvements. The costs associated with the improvements shall be fairly distributed among the parcels based upon the special benefit received by each parcel. Additionally, in compliance with Section 4 of Article XIID, each parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred to that parcel. The benefit formula used to determine the assessment obligation is therefore based upon both the improvements that benefit the parcels of the District as well as the proposed land use of each property as compared to other parcels that benefit from those specific improvements.

The assessment methodology and assessment rates proposed for FY 2019-20 determined that all parcels receive special benefit for the landscape maintenance. In order to continue to provide the current level of maintenance services, the budget is proposed to be maintained at the FY 2018-19 level. Therefore, the assessment rates for FY 2019-20 are not proposed to be increased.

Zone classifications depends on whether a parcel is improved or unimproved, those properties that are improved receive the greater benefit from the service provided.

Zone C1 - All unimproved parcels within the District. There are 8 unimproved parcels.

Zone C2 - All improved parcels within the District. There are 372 improved parcels.

The land-use classification for each parcel has been based on the FY 2018-19 Los Angeles County Auditor/Controller's Assessment Roll.

The following table summarizes the different assessment rates for the different zone classifications, and compares the proposed assessment with the prior year's assessment.

**City of West Covina  
Landscape Maintenance District No. 7  
FY 2019-20 Preliminary Assessment Summary and Comparison**

<b>ZONE</b>	<b># of Parcels</b>	<b>FY 2018/19 Assessment Rates</b>	<b>FY 2019/20 Proposed Assessment Rates</b>	<b>Total Assessment</b>
C1	8	\$139.22	\$139.22	\$1,113.76
C2	372	464.06	464.06	172,630.32
<b>TOTAL</b>	<b>380</b>			<b>\$173,744.08</b>

### **III. ESTIMATE OF COSTS**

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The total estimate of costs for maintenance of the proposed improvements for FY 2019-20, as defined under Section 22569 of the 1972 Act, are those as hereinafter set forth. Said cost estimates include the total District costs for constructing or installing any proposed improvements and for maintenance and servicing the existing improvements including incidental expenses; the amount of any surplus or deficit in the maintenance fund to be carried over from the previous year; any annual installments to be collected over more than a single year; as well as the amount of any contributions to be made from any other sources.

#### **A. CAPITAL IMPROVEMENT PROJECT FUND**

For FY 2019-20, there are no capital improvements.

## **B. SUMMARY OF TOTAL COSTS**

The City's budget for the operation and services costs detail the estimated costs and fund balances for FY 2019-20 as available at the time of preparation of this report. The 1972 Act provides that the total cost can be recovered in the assessment spread including incidental expenses. The latter can include engineering fees, legal fees, printing, mailing, postage, publishing, and all other related costs identified with the District proceedings.

The 1972 Act requires that a special fund be set-up for the revenue and expenditures of the District. Funds raised by assessment shall be used only for the purpose as stated herein. A contribution to the District by the City may be made to reduce assessments, as the City Council deems appropriate. Any balance or deficit remaining on July 1<sup>st</sup> must be carried over to the next fiscal year.



**City of West Covina  
Landscape Maintenance District No. 7  
Fiscal Year 2019-20  
Estimated Costs for Landscape Maintenance**

**Expenditures**

<b>Direct Maintenance</b>		<b>Totals</b>
Personnel Services		\$37,832
<b>Materials and Services</b>		
Maintenance Contracts	\$59,484	
Utilities (electricity & water)	34,200	
Supplies	0	
Property & Liability Insurance	3,572	
Administration & Overhead	23,710	
<b>Subtotal</b>		\$120,966
<b>Engineering &amp; Incidental</b>		
Full Time Salaries and Benefits	\$7,487	
NPDES	5,000	
<b>Subtotal</b>		\$12,487
<b>Total Operating Budget</b>		<b>\$171,285</b>
<b>Capital Improvement <sup>(1)</sup></b>		<b>\$0</b>
<b>Total Operating and Capital Budget</b>		<b>\$171,285</b>
<b>Contingency and Reserves</b>		
Cash Flow Reserves	\$85,643	
Contingency	140,736	
<b>Total Contingency and Reserves</b>		<b>\$226,379</b>

<b>Total District Expenditures</b>	<b>\$397,664</b>
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**Revenues**

Assessment Income (Total Balance to Levy)	\$173,744	
Interest	2,000	
<b>Total Projected Revenue</b>		<b>\$175,744</b>
Projected Fund Balance (6/30/19)		221,920

<b>Total Funds Available</b>	<b>\$397,664</b>
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(1) See Capital Improvement Project Fund Section III. A

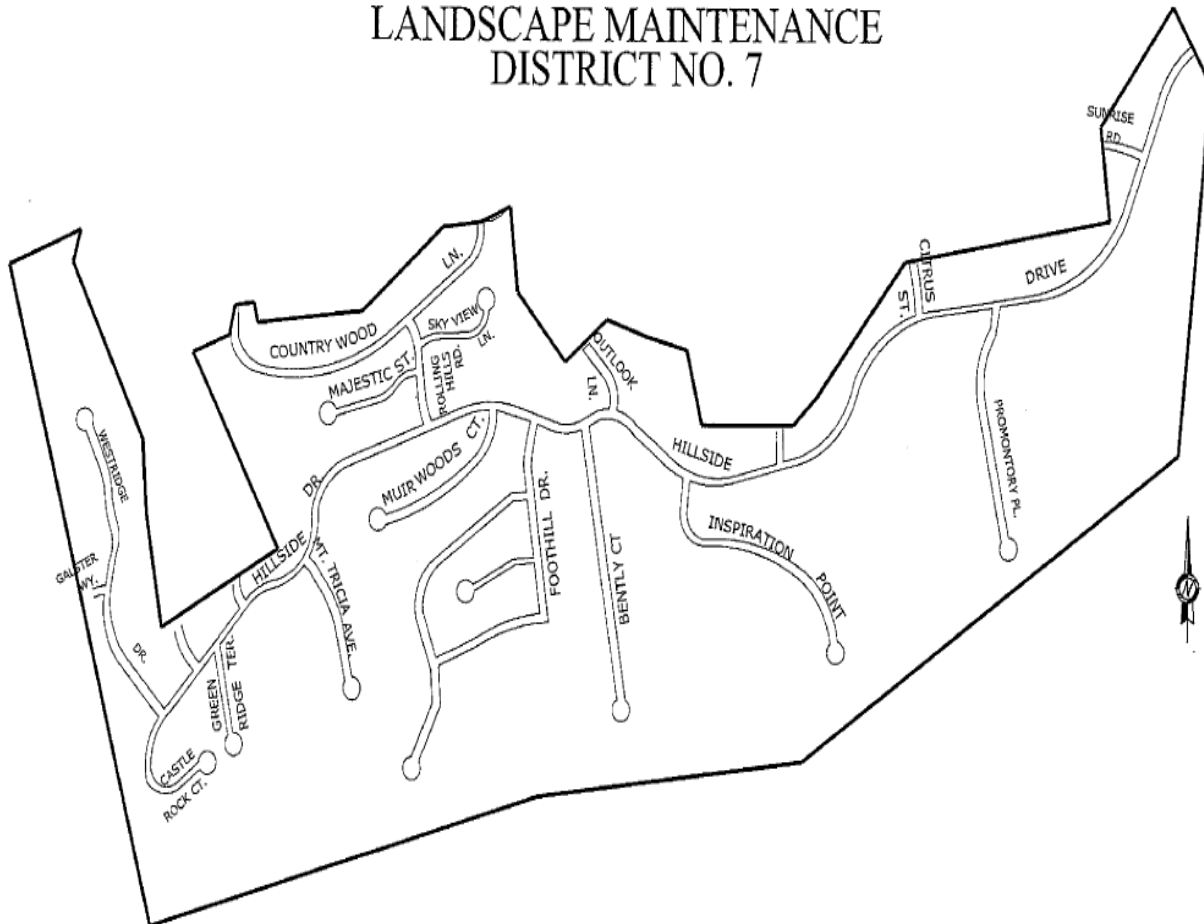
\*\*Note: Totals may not foot due to rounding.

#### ***IV. BOUNDARY MAP***

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A diagram showing the exterior boundaries of the District, boundaries of any zone within the District and the lines and dimension of each lot or parcel of land within the District is on file in the Office of the City Engineer and incorporated herein by reference. The lines and dimensions shown on the Los Angeles County Assessor's parcel maps for the current year are incorporated by reference and made part of this Report.

CITY OF WEST COVINA  
LANDSCAPE MAINTENANCE  
DISTRICT NO. 7



## ***V. ASSESSMENT ROLL***

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Parcel identification for each lot or parcel within the District shall be the parcel as shown on the Los Angeles County Secured Roll for the year in which this Report is prepared and reflective of the Assessor's Parcel Maps. A listing of the proposed lots and parcels to be assessed within this District along with the assessment amounts shall be submitted to the City Clerk, under a separate cover, and by reference is made part of this Report.

**West Covina Landscape Maintenance District No. 7**  
**10 Year Fiscal Projection**

Percent Increase	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Fiscal Year	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29
<b>Assessment Income</b>	<b>\$173,744</b>	<b>\$170,821</b>	<b>\$170,821</b>	<b>\$170,821</b>	<b>\$170,821</b>	<b>\$170,821</b>	<b>\$170,821</b>	<b>\$170,821</b>	<b>\$170,821</b>	<b>\$170,821</b>
Interest (1)	2,000	453	446	432	411	383	347	0	0	0
Prior Year Balance	221,920	226,379	222,942	216,003	205,487	191,314	173,405	151,677	125,745	95,878
<b>Total Funding</b>	<b>\$397,664</b>	<b>\$397,652</b>	<b>\$394,208</b>	<b>\$387,256</b>	<b>\$376,718</b>	<b>\$362,517</b>	<b>\$344,572</b>	<b>\$322,498</b>	<b>\$296,566</b>	<b>\$266,698</b>
Maintenance Costs (2)	171,285	174,711	178,205	181,769	185,404	189,112	192,895	196,753	200,688	204,701
<b>Total Cost</b>	<b>\$171,285</b>	<b>\$174,711</b>	<b>\$178,205</b>	<b>\$181,769</b>	<b>\$185,404</b>	<b>\$189,112</b>	<b>\$192,895</b>	<b>\$196,753</b>	<b>\$200,688</b>	<b>\$204,701</b>
<b>Ending Balance</b>	<b>\$226,379</b>	<b>\$222,942</b>	<b>\$216,003</b>	<b>\$205,487</b>	<b>\$191,314</b>	<b>\$173,405</b>	<b>\$151,677</b>	<b>\$125,745</b>	<b>\$95,878</b>	<b>\$61,997</b>
Cash Flow	85,643	87,355	89,102	90,885	92,702	94,556	96,447	98,376	100,344	102,351
Over/Under	140,736	135,586	126,901	114,602	98,612	78,848	55,230	27,369	(4,466)	(40,354)
Developed Lot Rate	\$464.06	\$464.06	\$464.06	\$464.06	\$464.06	\$464.06	\$464.06	\$464.06	\$464.06	\$464.06
Undeveloped Lot Rate	\$139.22	\$139.22	\$139.22	\$139.22	\$139.22	\$139.22	\$139.22	\$139.22	\$139.22	\$139.22

Notes: (1) Interest is 0.4% of one-half of the previous year ending balance.

(2) 2% increase in maintenance cost each year due to inflation.

**RESOLUTION NO. 2019-40**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING THE ENGINEER'S REPORT AND CONFIRMING A DIAGRAM AND ASSESSMENT FOR FISCAL YEAR 2019-20 FOR LANDSCAPE MAINTENANCE DISTRICT NO. 7**

**WHEREAS**, the City's Landscape Maintenance District No. 7 (the "District") has been established pursuant to the Landscaping and Lighting Act of 1972 (Streets & Highways Code Section 22500 *et seq.*) (the "Act") to fund the maintenance and servicing of certain public landscaping and appurtenant facilities in the City; and

**WHEREAS**, in connection with the District, the City annually levies an assessment against real property; and

**WHEREAS**, by its Resolution No. 2019-26, adopted May 7<sup>th</sup>, 2019, the City Council directed Willdan Financial, as assessment engineer (the "Engineer"), to prepare and file a report regarding the District; and

**WHEREAS**, the Engineer filed said report, entitled "City of West Covina, Landscape Maintenance District No. 7, Fiscal Year 2019-20 Engineer's Report" (the "Report"), which is on file and available for public inspection in the Office of the City Clerk and is incorporated herein by reference; and

**WHEREAS**, by its Resolution No. 2019-27, adopted May 7<sup>th</sup>, 2019, the City Council preliminarily approved the Report, declared its intention to levy an assessment in connection with the District for Fiscal Year 2019-20, and called a public hearing on the assessment for June 4, 2019 (the "Hearing"); and

**WHEREAS**, at the hearing, which was noticed as required by law, all interested persons were afforded the opportunity to hear and be heard and the City Council considered all oral and written statements and all written protests made or filed by any interested person; and

**WHEREAS**, the City Council now desires to completed proceedings to levy the Fiscal Year 2019-20 assessment in connection with the District.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, DOES RESOLVE AS FOLLOWS:**

**SECTION 1.** The Report is hereby finally approved as filed.

**SECTION 2.** The City Council hereby confirms the diagram and assessment contained in the Report.

**SECTION 3.** Pursuant to Section 22631 of the Act, the adoption of this Resolution shall constitute the levy of the assessment for Fiscal Year 2019-20.

**SECTION 4.** The City Clerk is directed file the diagram and assessment, or a certified copy thereof, with the county auditor. The assessments shall be collected at the same time and in the same manner as county taxes are collected, and all laws providing for the collection and enforcement of county taxes shall apply to the collection and enforcement of the assessments

**SECTION 5.** The City Council finds that the levy and collection of these assessments is statutorily exempt from CEQA pursuant to Section 15273 of the Guidelines, in that the proceeds of the assessments are to be used for meeting operating expenses, purchasing supplies and meeting financial reserves needs and requirements.

**SECTION 6.** The City Clerk shall certify to the adoption of this resolution.

**PASSED, APPROVED AND ADOPTED** on June 4, 2019.

---

Lloyd Johnson  
Mayor

**APPROVED AS FORM**

**ATTEST**

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Scott E. Porter  
City Attorney

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Carrie Gallagher, CMC  
Assistant City Clerk

I, CARRIE GALLAGHER, ASSISTANT CITY CLERK of the City of West Covina, California, do hereby certify that the foregoing resolution was duly adopted by the City Council of the City of West Covina, California, at a regular meeting thereof held on the 4<sup>th</sup> day of June 2019, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Carrie Gallagher, CMC  
Assistant City Clerk



## AGENDA STAFF REPORT

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City of West Covina | Office of the City Manager

**DATE:** June 4, 2019

**TO:** Mayor and City Council

**FROM:** David Carmany  
Interim City Manager

**SUBJECT:** PRELIMINARY FISCAL YEAR 2019-20 BUDGET

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### RECOMMENDATION:

It is recommended that the City Council receive and file the Fiscal Year 2019-20 Operating and Capital Improvement Program Budget, direct that it be publicly disseminated, and schedule for consideration at the June 18th meeting.

### BACKGROUND:

The City of West Covina fiscal year is a 12-month period used to measure revenues and expenditures. It starts July 1 and ends June 30 the following year. At its highest level, a municipal budget identifies the needs and interests of the community and allocates available resources to those interests while remaining fiscally strong for the future. In crafting the following proposed allocations, the staff was guided by the principles of fiscal sustainability & responsibility. This budget represents the City's 2019-20 financial plan.

### DISCUSSION:

The City's financial policies, plans, and reporting systems help the operating departments achieve their objectives and ensure the City's long-term fiscal health. The City's accounting program maintains accounting records in accordance with Governmental Accounting Standards Board (GASB) pronouncements and Generally Accepted Accounting Principles (GAAP).

The 2019-20 Budget is balanced and focuses on provision of essential services. It assumes changes will be made to the city organization to achieve economies and efficiencies in city operations, and improved service. As these changes are implemented, the City will analyze service delivery options, to include levels of service, service quality and expected performance, service revenues and costs, required transition activities and other relevant factors before implementing service delivery methods. Timing and labor relations will be critical factors.

### City Fund Structure

A number of different funds are utilized to account for the City, the Successor Agency to the Former Redevelopment Agency, and the West Covina Housing Authority financial resources. Funds are classified into the following fund types:

- General Fund
- Special Revenue

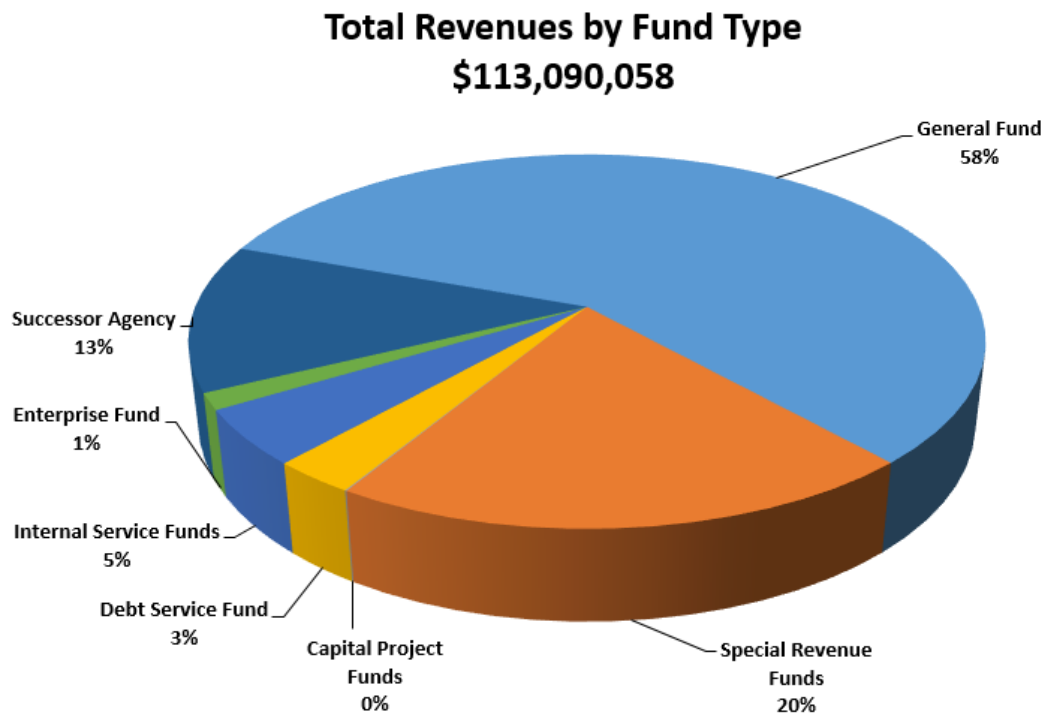


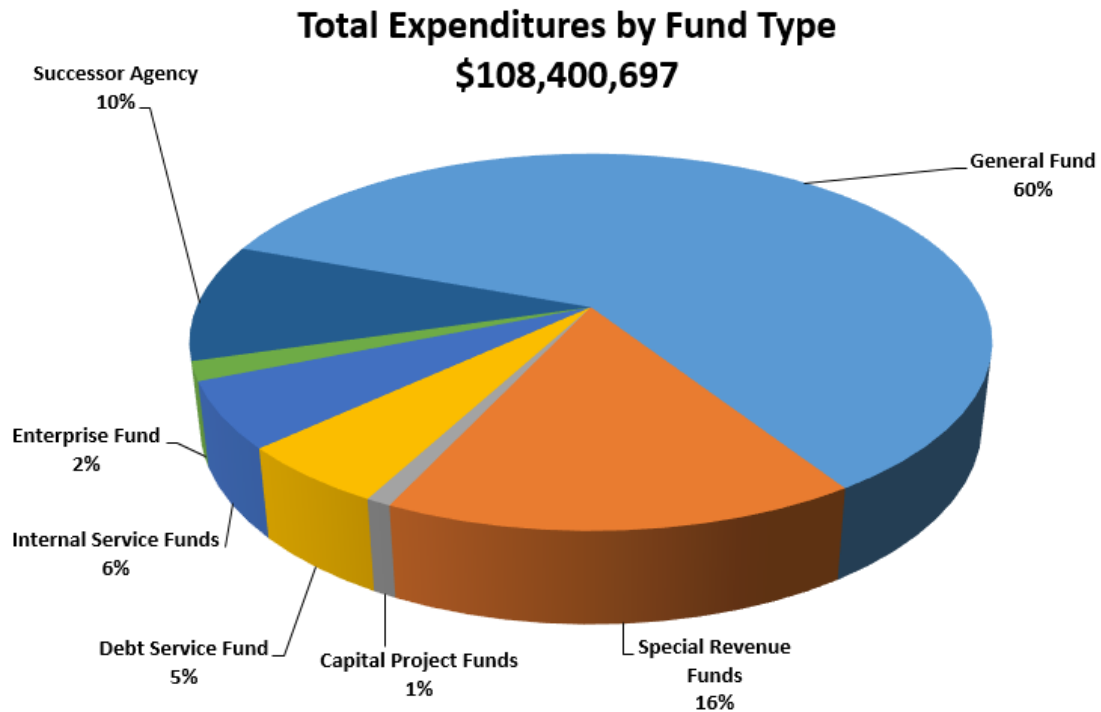
- Debt Service
- Capital Projects
- Proprietary
- Private Purpose Trust

The City has established multiple funds, under each fund type, to assist in accounting and record keeping for the City and outside agencies. A brief description of all the funds is provided in Attachment No. 1.

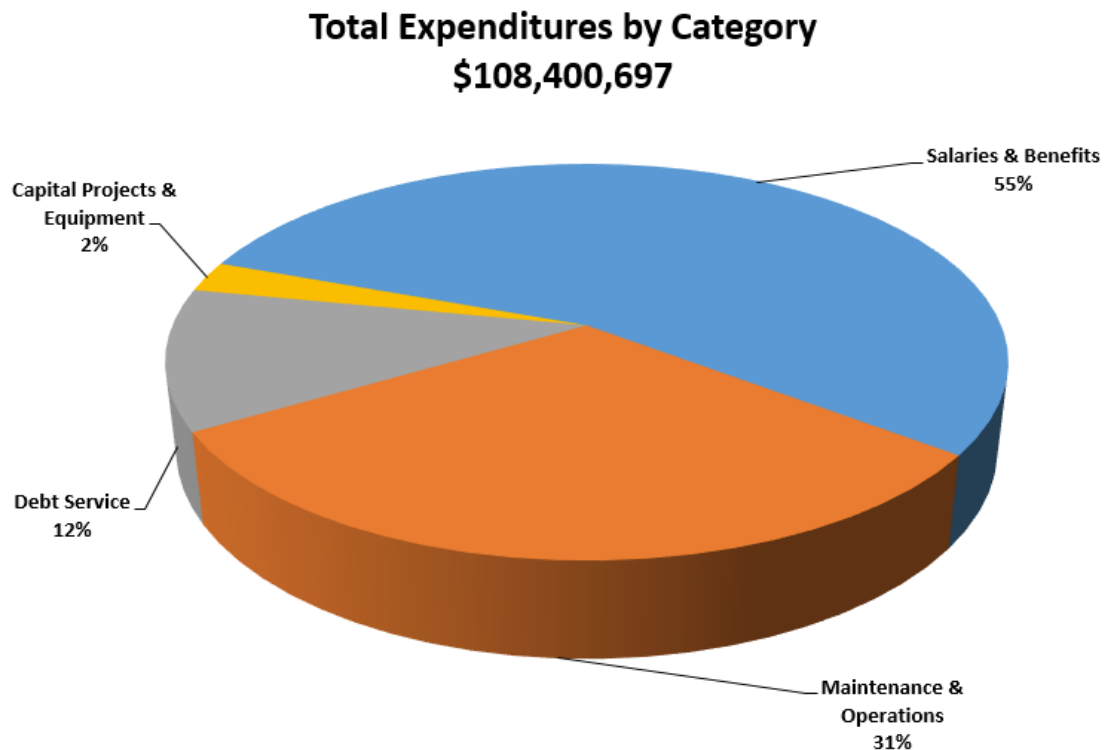
### Proposed Budget Information

For FY 2019-20, estimated revenues (including transfers in) on an all funds basis are \$113,090,058. Many funds make up the total budget amount, with the largest being the General Fund in the amount of \$65,358,773, or 58% of the City's total budget.





Estimated expenditures (including transfers out) for all budgeted funds are estimated at \$108,400,697. The General Fund makes up 60% of the organization's total budget, or \$65,358,773.



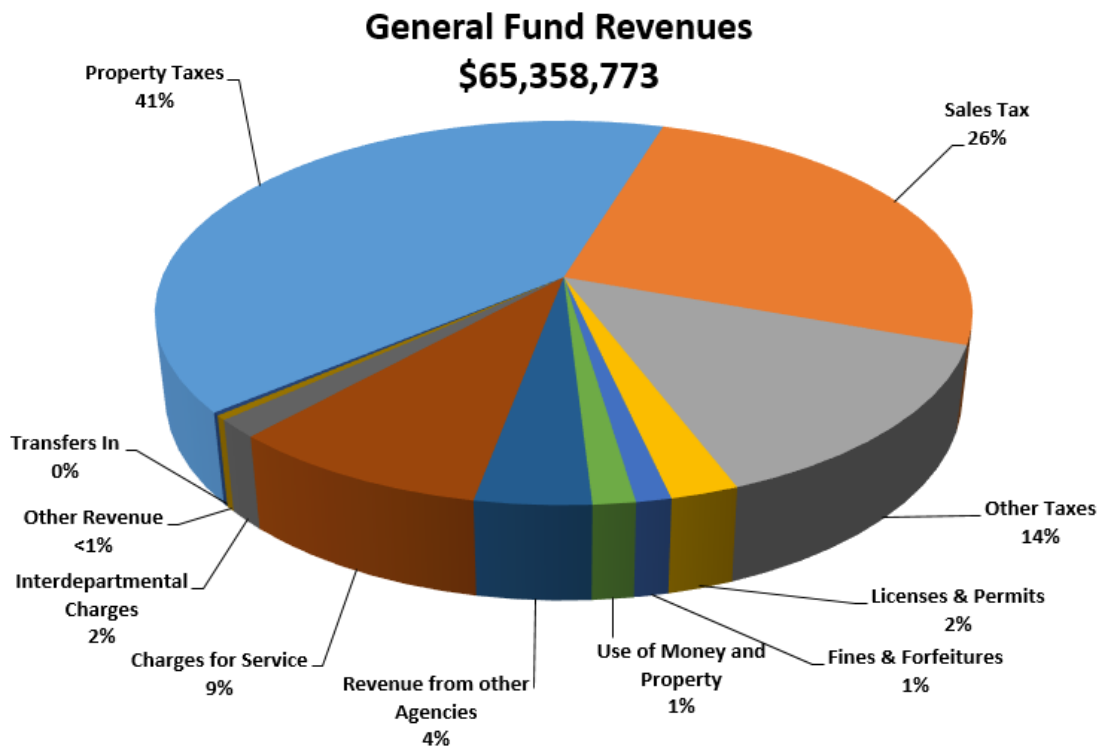
Personnel costs inclusive of all City funds are anticipated to be \$59.4 million. Pension costs for the California Public Employee's Retirement System (CalPERS) continue to increase again this year and are anticipated to rise for the next several years.

## General Fund

The City's primary financial goal is to provide an appropriate level of municipal services meeting the needs of the present without compromising the ability of future generations to meet their own needs. This will require that community leaders continue to take an active role in the city's efforts to think and act sustainably. The City's General Fund continues to be negatively impacted by economic conditions, increases in pension costs, the State's elimination of redevelopment, and the State's raid of local revenues.

### General Fund Revenues:

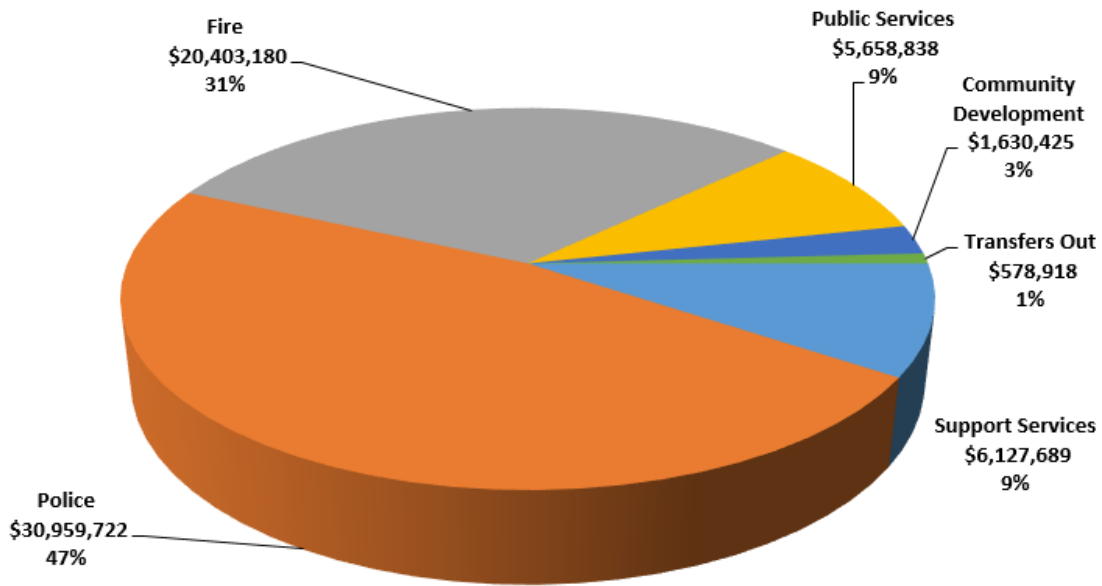
Total General Fund revenues are projected to be \$65,358,773, a decrease of \$502,913 or less than 1% from the prior year adopted budget. Although many of the revenue sources of the City are increasing such as property tax, the decline is largely due to a transfer into the General Fund budgeted in the previous fiscal year in the amount of \$1.9 million.



### General Fund Expenditures:

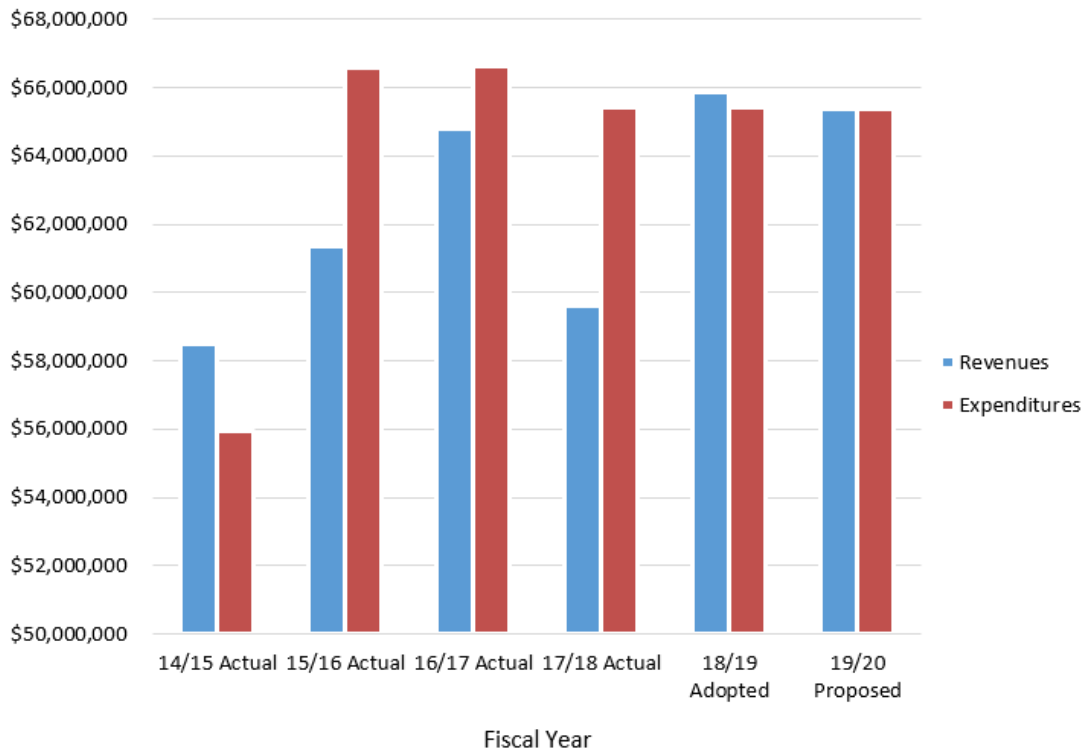
At this time, General Fund expenditures for FY 2019-20 are projected to be \$65,358,773. This equates to a slight decrease in budgeted expenditures of \$67,895 when compared to the adopted budget for FY 2018-19.

## General Fund Expenditures by Department \$65,358,773



General Fund revenues and expenditures are equal and the budget is balanced once again this year as illustrated in the chart below.

## General Fund Comparison



### General Fund Reserves:

To maintain the City's credit rating and meet seasonal cash flow shortfalls, economic downturns or a local disaster, the budget provides for an anticipated fund balance for general fund. The General Fund ending unassigned fund

balance, or reserve, is equivalent to a “savings account” to cover unexpected costs or significant economic changes. The intent is to not use this for normal operating expenses. Unless changes are made to this preliminary budget, the General Fund ending unassigned fund balance is projected to be approximately \$12 million, which is 18.3% of operating expenditures, which meets the City’s 17% reserve policy.

At this time, the General Fund’s estimated ending fund balance for FY 2019-20 is \$22.7 million; however, \$10 million is considered non-spendable. The non-spendable portion consists of unpaid loans to the former Redevelopment Agency which have been approved by the Department of Finance (DOF) and will be repaid over the next few years in the amount of \$6.4 million and land held for resale in the amount of \$3 million.

**Capital Improvement Program:**

Staff is recommending a number of CIP projects for FY 2019-20, with the all of them being funded from special revenue funds. These projects are listed on Attachment No. 2

This Preliminary Budget will be available on the City's website at the following address:  
[www.westcovina.org/AnnualBudget](http://www.westcovina.org/AnnualBudget)

**Challenges:**

The many and varied changes in this century have created new problems for local government. Certainly, in this period the complexities of urban living have been compounded and now present local government with some of the most challenging of problems and opportunities. West Covina provides a full range of first-class municipal services. These services are varied, complex and often expensive. The quality of public infrastructure and public services which the City provides help define quality of life for residents.

There is much work to be done, starting with planning for necessary expenditures by quantifying then identifying solutions. Current unfunded liabilities include facility and fleet maintenance, competitive employee salaries and pension costs and other post-employment benefits, risk management and infrastructure facilities. The 2019-20 budget is a coordinated fiscal plan which provides vision, direction and fiscal guidance for the municipal organization. The budget will guide decisions to achieve a future that is responsive to what the public wants. It is possible to achieve this future with vigilance and specific action steps.

The budget was prepared to provide the City Council and public with transparent, balanced and objective information to assist in understanding the City’s finances.

**ENVIRONMENTAL REVIEW:**

This project is a General Exemption under the California Environmental Quality Act.

**Prepared by:** Robbeyn Bird, CPA, Interim Finance Director

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**Fiscal Impact**

**FISCAL IMPACT:**

City staff will make every effort to continue to provide the best quality service to our customers with the resources available.

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**Attachments**

Attachment No. 1 - City Fund Structure

Attachment No. 2 - 2019-20 Project Summary by Fund Number

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## **CITY FUND STRUCTURE**

A number of different funds are utilized to account for the City, the Successor Agency to the Former Redevelopment Agency, and the West Covina Housing Authority financial resources. Funds are classified into the following fund types:

- General Fund
- Special Revenue
- Debt Service
- Capital Projects
- Proprietary
- Private Purpose Trust

The City has established multiple funds, under each fund type, to assist in accounting and record keeping for the City and outside agencies.

## **GENERAL FUND TYPE**

### General Fund (Fund 110)

The General Fund is the City's largest single fund type and is used to account for unrestricted revenues. The City's General Fund is the main operating fund for non-restricted revenues, such as general taxes and fees. Appropriations may be made from the General Fund for City activities. This fund is used to account for basic City services such as police, fire, recreation, building, planning, and general administration. Within the General Fund, the City maintains non-spendable (not available) and unassigned (available) reserves that represent the unappropriated fund balance.

## **SPECIAL REVENUE FUNDS**

### Asset Seizure (Funds 116 and 117)

Asset Seizure revenues are received based on the City's participation in drug-related asset seizures. Funds are received from federal and state agencies. These funds are restricted to uses that enhance the police department's activities.

### Air Quality Improvement Trust (Fund 119)

In 1991-1992, the state passed AB 2766, the State's Air Quality Improvement Trust Fund. An increase in motor vehicle license fees collected by the State of California supports this state fund. The City receives a portion of the fees to enhance the City's clean air efforts.

### Proposition A (Fund 121)

Under Proposition A, the City receives a portion of the ½ cent of sales tax levied in Los Angeles County to provide transportation-related programs and projects. For years the City has sold its Proposition A funds to other cities in exchange for non-restricted General Fund dollars.

#### Proposition C (Fund 122)

Under Proposition C, the City receives a portion of an additional ½ cent sales tax approved for transportation-related programs in Los Angeles County. The funds may be used for certain capital projects or transportation projects similar to those allowed under Proposition A. Projects include street rehabilitation and reconstruction, traffic monitoring systems, congestion management and planning, bus shelter maintenance, Park-and-Ride lots, the City's shuttle and Dial-A-Ride services and recreational transit services.

#### Gas Tax (Fund 124)

This fund accounts for State Gas Tax monies received under various state laws. The funds are used to fund the City's street maintenance program. Activities include ongoing minor street repairs, upgrades of traffic signals, replacement and installation of new traffic signs and street painting. Programs are administered through the Community Development and Community Services Departments.

#### Police Donations (Fund 127)

This fund accounts for donations received and expenditures related to various police programs.

#### Transportation Development Act (Fund 128)

Transportation Development Act funds are received through the County and may only be used for specific transportation development purposes. These funds are generally used by the City for sidewalk rehabilitation and construction, and the long-term transportation planning efforts within the City.

#### AB 939 (Fund 129)

This fund accounts for revenues and expenditures of programs implemented to meet the requirements of the California Integrated Waste Management Act of 1989 (AB 939). Revenues are generated through a waste management fee. Programs funded include the development and implementation of a solid waste reduction and recycling project, household hazardous waste disposal project, and solid waste management activities.

#### Community Development Block Grant (Fund 131)

This fund accounts for activities of the Community Development Block Grant received from the U.S. Department of Housing and Urban Development, including monies received from this agency as part of the federal stimulus program.

#### Surface Transportation Program (STP) Local (Fund 140)

The Intermodal Surface Transportation Efficiency Act of 1992 (ISTEA) is the Federal Highway Program. This fund accounts for federal money received for use in improving certain major streets. Caltrans and the Federal Highway Administration must approve projects.

#### LA County Park Bond (Fund 143 & 210)

These funds account for grant money received through the Los Angeles County Regional Park and Open Space District Grant.

Waste Management Enforcement Grant (Fund 145)

This fund accounts for the money received from the State of California to help support the local enforcement agent who monitors the local closed landfill.

Senior Meals Program (Fund 146)

This program provides meals to low-income seniors with funding from the United States Department of Agriculture and Area Agency on Aging. The program also receives donations from seniors for the meals served.

Used Oil Block Grant (Fund 149)

The California Integrated Waste Management Board (CIWMB) provides grant funds to cities to promote used motor oil recycling.

Inmate Welfare (Fund 150)

This fund accounts for any money, refund, rebate or commission received from a telephone call from inmates while incarcerated to meet the requirements of California Penal Code: Part 3; Title 4; Chapter 1; Section 4025. The monies are to be expended for the benefit, education, and welfare of inmates confined within the jail. Any funds that are not needed for the welfare of the inmates may be expended for the maintenance of the jail facilities.

Public Safety Augmentation (Fund 153)

This fund accounts for the permanent extension of the sales tax by ½ cent guaranteed under Proposition 172. These revenues are restricted to the enhancement of public safety services. Revenue is allocated based on each qualified county's proportionate share of statewide taxable sales.

COPS/SLESA (Fund 155)

This fund accounts for grant revenue provided by the state to support Community Oriented Policing programs. Funds must be spent on front-line law enforcement services.

Beverage Container Recycling Grant (Fund 158)

The Beverage Container Recycling Grant provides funds derived from consumer deposits on beverage containers. These funds are to be used for beverage container recycling and litter cleanup activities.

Summer Meals Program (Fund 159)

This fund comes from the Food and Nutrition Service (FNS) of the United States Department of Agriculture, which provides a free lunch to children on weekdays during the summer months.

Maintenance District Funds (Fund 18x)

The City levies special benefit assessments and property taxes upon property within defined districts. Through the Los Angeles County Tax Collector, assessments are placed on the property owner's annual tax bill. These funds are used to maintain and improve the open spaces within the districts by providing landscape maintenance. Assessment districts currently established in the City include:



Maintenance District #1 (Fund 181)  
Maintenance District #2 (Fund 182)  
Maintenance District #4 (Fund 184)  
Maintenance District #6 (Fund 186)  
Maintenance District #7 (Fund 187)

Coastal Sage and Scrub Community Facilities District (Fund 183)

This community facilities district was formed to provide for the restoration and ongoing maintenance of sensitive environmental habitat within the development area of a former landfill, including habitat for endangered species such as the California gnatcatcher (*Polioptila californica*).

Citywide Maintenance District (Fund 188)

This is the City's most significant special assessment fund. Revenue for the fund comes from annual special benefit assessments from property owners who benefit from covered improvements. The Citywide Assessment District provides the majority of funding for the City's street lighting system and street tree program.

Sewer Maintenance (Fund 189)

This fund supports the City's street sweeping program and maintenance of the City's sewer system.

Business Improvement District (Fund 190)

This is an assessment district supported by six of West Covina's automobile dealers to fund the construction, maintenance and operation of a reader board adjacent to Interstate 10.

Police Grant Funds

These funds come from federal or state grants to provide funding for various public safety programs.

Bureau of Justice Assistance Grant (Fund 130), Alcohol Beverage Control (ABC) Grant (Fund 138), and Police Private Grants (Fund 221)

Charter PEG (Fund 205)

Charter Communications awarded the City a \$150,000 Public Education Grant for a number of years. Due to changes in communications rules, no additional grant revenue is being received. The money remaining in this fund can only be used to make capital expenditures related to the City's Public Access Channel.

Art in Public Places (Fund 212)

This fund accounts for development fees paid in lieu of acquisition and installation of approved artwork in a development, with expenditures restricted to acquisition, installation, maintenance and repair of artworks at approved sites.

WC Community Services Foundation (Fund 220)

This fund is used to account for activity of the West Covina Community Services Foundation, a 501(c)(3) non-profit organization.

#### Measure R (Fund 224)

Under Measure R, the City receives a portion of a ½ cent sales tax levied in Los Angeles County to provide transportation related projects and programs. The City uses Measure R Funds to provide a variety of transportation services including Dial-A-Ride and the West Covina Shuttle (a fixed route system).

#### Taskforce for Regional Auto Theft Prevention (TRAP) Grant (Fund 233)

A regional law enforcement taskforce known as TRAP is funded through vehicle registration fees pursuant to Vehicle Code section 9250.14 (SB-2139). The primary mission of TRAP is to combat auto thefts and spearhead major investigations related to vehicle thefts throughout the Southern California regions.

#### City Law Enforcement Grant (Fund 234)

This fund accounts for personnel costs that are reimbursable through the Board of State and Community Corrections (BSCC) City Law Enforcement Grant.

#### Measure M (Fund 235)

Under Measure M, the City receives a portion of a ½ cent sales tax levied in Los Angeles County to provide transportation related projects and programs. The City uses Measure M Funds for certain capital projects or transportation projects such as street rehabilitation and reconstruction, traffic monitoring systems, and congestion management and planning.

#### Measure A (Fund 236)

Under Measure A, the City receives a portion of a 1.5 cent per square foot parcel tax levied in Los Angeles County to help fund new parks and maintain existing ones. The City uses Measure A Funds for certain capital projects related to parks, such as rebuilding restrooms, updating park parking lots, and the purchase of new playground equipment.

#### SB1 – Road Maintenance Rehab (Fund 237)

Senate Bill (SB) 1, known as the Road Repair and Accountability Act of 2017, increased per gallon fuel excise taxes, increased diesel fuel sales taxes and vehicle registration fees, and provides for inflationary adjustments to tax rates in future years, to address basic road maintenance, rehabilitation and critical safety needs on both state highways and local streets. The City uses SB1 funding for street improvements such as residential road rehabilitation.

#### West Covina Housing Authority (Fund 820)

Under ABX1 26, the housing functions were transferred to the West Covina Housing Authority with the adoption of Resolution No. 2012-11 by the West Covina City Council on January 17, 2012. Accordingly, all rights, powers, duties and obligations related to the housing functions have been assumed by the Housing Authority and it may enforce affordability covenants and perform related activities pursuant to the applicable provisions of the Community Redevelopment Law.

ABX1 26 provides that the non-cash housing assets and obligations of dissolving redevelopment agencies ("RDAs") do not pass to the Successor Agencies formed to wind-down each RDA, but rather to the Housing Successor Agency. As such, decisions regarding such housing assets and obligations are not subject to approval by the Oversight Board of the Successor Agency.

This fund will accumulate loan repayments from homeowners and multi-family housing developers per agreements that were put in place using low and moderate income housing funds

of the former Redevelopment Agency. Those funds, along with repayment of the Supplemental Educational Revenue Augmentation Fund loans that were previously made by the housing fund of the former Redevelopment Agency, will be used to continue to provide low and moderate income housing programs in compliance with state law regarding affordable housing.

## **CAPITAL PROJECT FUNDS**

### Capital Projects (Fund 160)

The fund was established by the City Council to serve as the source of capital funding for projects that have no other funding source.

### Construction Tax (Fund 161)

The Construction Tax Fund receives monies from developers based on the construction of dwelling units in the City. These funds are then used to purchase or construct public facilities, such as street reconstruction, traffic signal modifications, curb and gutter replacements and rehabilitation of park structures and equipment.

### Information Technology (Fund 162)

The funds paid into this fund are to be used for information technology capital outlay projects.

### Development Impact Fees (Fund 16x)

The City receives one-time fees on new development to be used to cover costs of capital equipment and infrastructure required to serve new growth. The following funds have been established:

Fund 164 – Police Impact Fees

Fund 165 – Fire Impact Fees

Fund 166 – Park Impact Fees

Fund 167 – City Administrative Impact Fees

Fund 168 – Public Works Impact Fees

### Park Acquisition (Fund 169)

The funds paid into this fund are to be utilized for new parkland acquisition and the development of new parkland.

### Park Dedication Fees (Fund 17x)

The City receives fees from developers to fund recreation facilities. The City has been divided into seven park districts for purposes of collecting revenue. These funds are used for qualified recreational purposes throughout the City. The following Districts have been established:

Fund 170 – Park District “A”

Fund 171 – Park District “B”

Fund 172 – Park District “C”

Fund 173 – Park District “D”

Fund 174 – Park District “E”

Fund 175 – Park District “F”

Fund 176 – Park District “G”

Fund 177 – Park District “H”

## **DEBT SERVICE FUND**

### Debt Service (Fund 300)

The City has established one Debt Service Fund to accumulate assets for the repayment of City long-term debt, which includes outstanding bonds, notes, capital leases and related costs. Funding is accumulated from interest income, developer reimbursements, and transfers from the General Fund and the Successor Agency.

## **INTERNAL SERVICE FUNDS**

### Self-Insurance - General and Auto Liability (Fund 361)

Funding for general/auto liability claims, uninsured losses and insurance premiums is provided through a charge on all operating departments based on prior year claims expense.

### Self-Insurance - Workers' Compensation (Fund 363)

Funding for workers' compensation is derived from a percentage charge of all salaries with different rates levied for the various employee categories.

### Fleet Management (Fund 365)

The Maintenance Division of the Public Works Department operates the fleet management function for the City which oversees the repair and disposal of City vehicles and heavy equipment. Revenue for the fleet management fund is generated through charges to operating departments. Each department that operates assigned vehicles is charged based on the departmental usage of the vehicles. Fleet management costs are reflected in each department's line-item budget.

### Vehicle Replacement (Fund 367)

The City put surplus funds into this fund for the replacement of vehicles to update the fleet and save on maintenance costs.

### Retirement Health Savings Plan (368)

This fund accounts for the set-aside lump sum benefits for retiring employees.

## **ENTERPRISE FUND**

### Police Computer Service Group (Fund 375)

This fund accounts for the computer services provided by the Police Department to other public safety agencies for a fee. The programs are marketed to both public and private agencies. The program also provides these products and services to the West Covina Police Department.

## **SUCCESSOR AGENCY**

### Successor Agency Redevelopment Obligation Retirement (Fund 810)

The City's Redevelopment Agency was dissolved as a result of the passage of ABX1 26, and the Successor Agency was subsequently created for the purpose of winding down the affairs of the former Redevelopment Agency. The responsibilities of the Successor Agency are to (1) continue to make payments on the outstanding debt of the former Redevelopment Agency for items that are

deemed to be “enforceable obligations”, and (2) wind down the activities of the Redevelopment Agency through the sale and disposition of assets and properties. The Successor Agency will receive allocations of property tax increment in amounts determined by the State Department of Finance (DOF) and deposited into the Redevelopment Property Tax Trust Fund (RPTTF) by the county. Those RPTTF allocations will then be used to pay the enforceable obligations.

Successor Agency Administration (Fund 815)

This fund is for all allowable administrative expenses of the Successor Agency, including salaries and benefits, legal costs, appraisals, consultants, and other administrative and overhead charges as well as support costs incurred for the Oversight Board. The Successor Agency receives an annual amount equal to 3% of the RPTTF allocation approved for payment of enforceable obligations.

CFD Debt Service (Fund 853)

This fund was established as part of the Fashion Plaza Expansion Project of the former Redevelopment Agency for issuing bonds to assist in the expansion of the leasable square footage and parking facilities of a regional shopping mall. The fund collects revenues from a special tax assessment on the property, as well as sales and property tax increment revenues generated on the property. Those revenues are used to service the principal and interest payments, and related costs of the outstanding bonds.

## FY 2019-2020 PROJECT SUMMARY BY FUND

NO	FUND NO.	FUND	PROJECT	AMOUNT
S-5	122	Prop C	Bus Stop Enhancement Annual Program	25,000
			<b>TOTAL PROPOSITION C - 122</b>	<b>25,000</b>
S-1	124	GT	Pavement Management Plan Update	75,000
T-13	124	GT	Traffic Signal Battery Back-up Controller Replacement	60,000
T-14	124	GT	Traffic Signal Battery Back-up Battery Replacement	30,000
T-15	124	GT	Installation of traffic Control Devices	30,000
			<b>TOTAL GAS TAX - 124</b>	<b>195,000</b>
S-3	128	TDA	Annual Concrete Sidewalk Installation/Replacement Program	70,000
			<b>TOTAL TRANSPORTATION DEVELOPMENT ACT - 128</b>	<b>70,000</b>
S-6	131	CDBG	Curb Access Ramp Programs	100,000
			<b>TOTAL COMMUNITY DEVELOPMENT GRANT PROGRAM - 131</b>	<b>100,000</b>
SD-1	160	CP	Update Housing Element	65,000
S-9	160	CP	Residential Street Rehabilitation Annual Program	567,148
			<b>TOTAL CAPITAL PROJECTS - 160</b>	<b>632,148</b>
G-8	161	CT	BKK Radio Tower Monitoring System	150,000
			<b>TOTAL CONSTRUCTION TAX - 161</b>	<b>150,000</b>
P-13	170	PDF A	Del Norte Park Restroom Improvements	30,000
P-14	170	PDF A	Del Norte Park Repair Trash Enclosures	30,000
			<b>TOTAL PARK DEDICATION FEES "A" - 170</b>	<b>60,000</b>
P-29	171	PDF B	Palmview Park Repair Trash Enclosures	30,000
			<b>TOTAL PARK DEDICATION FEES "B" - 171</b>	<b>30,000</b>
P-25	172	PDF C	Orangewood Park Security Fencing	150,000
P-26	172	PDF C	Orangewood Park Restroom Improvements	30,000
			<b>TOTAL PARK DEDICATION FEES "C" - 172</b>	<b>180,000</b>
P-8	174	PDF E	Cortez Park - Repair Trash Enclosures	30,000
P-9	174	PDF E	Cortez Park - Repair Football Goal Posts	20,000
			<b>TOTAL PARK DEDICATION FEES "E" - 174</b>	<b>50,000</b>
P-37	175	PDF F	Shadow Oak Park Restroom Improvements	30,000
P-38	175	PDF F	Shadow Oak Park Repair Trash Enclosure	30,000
			<b>TOTAL PARK DEDICATION FEES "F" - 175</b>	<b>60,000</b>
P-16	177	PDF H	Friendship Park Replace Drinking Fountains	20,000
P-17	177	PDF H	Friendship Park Repair Trash Enclosure	30,000
			<b>TOTAL PARK DEDICATION FEE "H" - 177</b>	<b>50,000</b>
P-42	183	CSS	Upgrade Landscaping based on Biologist Report	100,000
			<b>TOTAL Coast Scrub and Sage CFD - 183</b>	<b>100,000</b>
P-21	184	LMD-4	Tree trimming and shrub clearing	400,000
P-22	184	LMD-4	Paseo Lighting Replacement/Repair	100,000
			<b>TOTAL MAINTENANCE DISTRICT 4 - 184</b>	<b>500,000</b>
U-1	189	Sewer	Replace/upgrade pumps for City Hall Storm Water Lift Station	50,000
U-2	189	Sewer	Upgrades to Sewer Lift Station at Police Department Building	600,000
U-6	189	Sewer	Sewer Main Replacement - Portions of Glenview Rd, Michelle St, and Azusa Ave	1,450,000
U-7	189	Sewer	Sewer Main Replacement - Portions of Azusa Ave	295,000
U-8	189	Sewer	Sewer Main Replacement - Portion of Citrus St	230,000
N-1	189	Sewer	Catch basin Trash Capture Device Installation Program	50,000
			<b>TOTAL SEWER FUND - 189</b>	<b>2,675,000</b>
S-11	224	Measure R	Implementation of green Streets Improvements	500,000
T-1	224	Measure R	Merced / Sunset- Install Left-turn Phasing	190,000
T-2	224	Measure R	Glendora / Merced - Install Left-turn Phasing	190,000
T-3	224	Measure R	Merced / Valinda - Install Left-turn Phasing	25,000
T-4	224	Measure R	La Puente Road / Forcastle - New Traffic Signal Installation with City of Walnut	200,000
			<b>TOTAL MEASURE R - 224</b>	<b>1,105,000</b>
S-2	235	Measure M	Annual concrete sidewalk and curb and gutter repair program	180,000
S-9	235	Measure M	Residential Street Rehabilitation Annual Program	500,000
			<b>TOTAL MEASURE M - 235</b>	<b>680,000</b>
T-3		Grant	Merced / Valinda - Install Left-turn Phasing	165,000
			<b>TOTAL GRANT FUNDS</b>	<b>165,000</b>
S-9	237	SB-1	Residential Street Rehabilitation Annual Program	1,500,000
			<b>TOTAL SB-1 - 237</b>	<b>1,500,000</b>
<b>GRAND TOTAL</b>				<b>\$8,327,148</b>