

RESOLUTION CC 2025-46

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, AUTHORIZING THE ANNEXATION OF TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2007-1 (ANNEXATION NO. 37) AND AUTHORIZING THE LEVY OF A SPECIAL TAX AND SUBMITTING THE LEVY OF TAX TO THE QUALIFIED ELECTORS

WHEREAS, this Council, on April 15, 2025, adopted Resolution CC 2025-28 (hereafter referred to as the “Resolution of Intention”) stating its intention to annex territory to City of Covina Community Facilities District No. 2007-1 (Public Services) (“CFD No. 2007-1”), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the “Act”); and

WHEREAS, a copy of the Resolution of Intention, which states the authorized services to be provided and financed by CFD No. 2007-1, and a description and map of the proposed boundaries of the territory to be annexed to CFD No. 2007-1 (“Annexation No. 37”), is on file with the City Clerk and the provisions thereof are fully incorporated herein by this reference as if fully set forth herein; and

WHEREAS, on the 3rd of June, 2025, this Council held a noticed public hearing as required by the Act and the Resolution of Intention relative to the proposed annexation of territory to CFD No. 2007-1; and

WHEREAS, at said hearing all interested persons desiring to be heard on all matters pertaining to the annexation of territory to CFD No. 2007-1 and the levy of said special taxes within the area proposed to be annexed were heard and a full and fair hearing was held; and

WHEREAS, prior to the time fixed for said hearing, written protests had not been filed against the proposed annexation of territory to CFD No. 2007-1 by (i) 50% or more of the registered voters, or six registered voters, whichever is more, residing in CFD No. 2007-1, or (ii) 50% or more of the registered voters, or six registered voters, whichever is more, residing in the territory proposed to be annexed to CFD No. 2007-1, or (iii) owners of one-half or more of the area of land in the territory within CFD 2007-1 and not exempt from special tax, or (iv), owners of one-half or more of the area of land in the territory proposed to be annexed to CFD No. 2007-1 and not exempt from the special tax; and

WHEREAS, a boundary map for Annexation No. 37 to CFD No. 2007-1 has been filed with the County Recorder of the County of Los Angeles, which map shows the territory to be annexed in these proceedings, and a copy thereof is on file with the City Clerk.

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

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

SECTION 2. Authorization. All prior proceedings taken by this Council with respect to CFD No. 2007-1 and the proposed annexation of territory thereto have been duly considered and

ATTACHMENT B

are hereby determined to be valid and in conformity with the Act.

SECTION 3. Boundaries. The description and map of the boundaries of the territory to be annexed to CFD No. 2007-1, on file with the City Clerk, are hereby finally approved, are incorporated herein by reference, and shall be included within the boundaries of CFD No. 2007-1, and said territory is hereby annexed to CFD No. 2007-1, subject to voter approval of the levy of the special taxes therein as hereinafter provided.

SECTION 4. Services. The services which CFD No. 2007-1 is authorized to finance are in addition to those provided in or required for the territory within CFD No. 2007-1 and the territory to be annexed to CFD No. 2007-1 and will not be replacing services already available. A general description of the services to be financed is as follows:

PUBLIC SERVICES

New police services, fire protection and suppression services, paramedic services, and park maintenance, including but not limited to (i) the costs of contracting services, (ii) related facilities, equipment, vehicles, ambulances, fire apparatus and supplies, (iii) the salaries and benefits of City staff that directly provide police services, fire protection and suppression services, paramedic services, and park maintenance respectively, and (iv) City overhead costs associated with providing such services within CFD No. 2007-1. The Special Tax provides only partial funding for Public Services.

SECTION 5. Special Taxes. It is the intention of this City Council that, except where funds are otherwise available, a special tax sufficient to pay for said services to be provided in CFD No. 2007-1 and the territory proposed to be annexed as part of Annexation No. 37, secured by recordation of a continuing lien against all non-exempt real property in Annexation No. 37, will be levied annually within the boundaries of Annexation No. 37 from and after the annexation of such property to CFD No. 2007-1. The special taxes shall be those as originally authorized through the formation of CFD No. 2007-1 and adopted by Ordinance of this legislative body, and no changes or modifications are proposed in the special taxes from those as originally set forth and made applicable to CFD No. 2007-1.

For particulars as to the rate and method of apportionment of the proposed special tax (the "RMA"), reference is made to the attached and incorporated Exhibit "A," which sets forth in sufficient detail the method of apportionment to allow each landowner or resident within Annexation No. 37 to clearly estimate the maximum annual amount that said person will have to pay on said special tax.

SECTION 6. Election. The provisions of the Resolution of Intention of the City, each as heretofore adopted by this Council, are by this reference incorporated herein as if fully set forth herein.

- (a) Pursuant to the provisions of the Act, the proposition of the levy of the special tax within Annexation No. 37 shall be submitted to the voters within Annexation No. 37 at an election called therefore as

hereinafter provided. This Council hereby finds that twelve (12) or more persons have not been registered to vote within Annexation No. 37 for each of the 90 days preceding the close of the hearing heretofore conducted and concluded by this Council for the purposes of these annexation proceedings. Accordingly, and pursuant to Section 53326 of the Act, this Council finds that for purposes of these proceedings the qualified electors are the landowners within Annexation No. 37 and that the vote shall be by said landowners, each having one vote for each acre or portion thereof such landowner owns in Annexation No. 37.

- (b) Pursuant to Section 53326 of the Act, the election shall be conducted by mail ballot under applicable sections of the California Elections Code, commencing with Section 4000 of said code with respect to elections conducted by mail. The Council called a special election to consider the measures described and incorporated in the ballot, attached as Exhibit “B,” which election was held on June 3rd, 2025, (hereafter referred to as “Election Day”). The City Clerk was the election official to conduct the election and provided each landowner in the territory to be annexed to CFD No. 2007-1, a ballot in the form of Exhibit “B”, which form is hereby approved. The City Clerk has accepted the ballots of the qualified electors received prior to 7:30 p.m. on Election Day, whether received by mail or by personal delivery.
- (c) This Council hereby further finds that the provision of Section 53326 of the Act requiring a minimum of 90 days to elapse before said election is for the protection of voters, has been waived by the voters and the date for the election hereinabove specified is established accordingly.

SECTION 7. The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

APPROVED and PASSED this 3rd day of June, 2025.

City of Covina, California

BY: _____
VICTOR LINARES, Mayor

ATTEST:

FABIAN VELEZ, Chief Deputy City Clerk

CERTIFICATION

I, Fabian Velez, Chief Deputy City Clerk of the City of Covina, do hereby certify that Resolution CC 2025-46 was duly adopted by the City Council of the City of Covina at a regular meeting held on the 3rd day of June, 2025, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

Dated:

FABIAN VELEZ, Chief Deputy City Clerk

EXHIBIT A
FIRST AMENDED RATE AND METHOD OF APPORTIONMENT

FIRST AMENDED RATE AND METHOD OF APPORTIONMENT

CITY OF COVINA

COMMUNITY FACILITIES DISTRICT NO. 2007-1 (PUBLIC SERVICES)

A special tax as hereinafter defined shall be levied on and collected for Community Facilities District No. 2007-1 (Public Services) of the City of Covina ("CFD No. 2007-1") each Fiscal Year, commencing in Fiscal Year 2007-2008, in an amount determined by the City Council of the City of Covina through the application of the appropriate Special Tax for "Developed Property," as described below. All of the real property in CFD No. 2007-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

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

"Administrative Expenses" means any actual ordinary and necessary expense of the City of Covina, or designee thereof or both, to carry out the administration of CFD No. 2007-1 related to the determination of the amount of the levy of the Special Tax, the collection of the Special Tax including the expenses of collecting delinquencies, the payment of a proportional share of salaries and benefits of any City employee whose duties are directly related to the administration of CFD No. 2007-1, fees and expenses for counsel, Special Tax consultant and other consultants hired by the City in relation to CFD No. 2007-1, costs associated with responding to public inquiries regarding CFD No. 2007-1, and costs otherwise incurred in order to carry out the authorized purposes of CFD No. 2007-1.

"Affordable Housing" means any Unit within CFD No. 2007-1 that is subject to a written and recordable covenant, deed restriction, resale restriction, regulatory agreement or similar agreement with either the City of Covina or the Redevelopment Agency of the City of Covina, which restricts the amount of rent for that Unit to "affordable rent" (as that term is defined in California Health and Safety Code Section 50053) for a period of not less than fifty-five (55) years, or which restricts the purchase price for that Unit to "affordable housing cost" (as that term is defined in California Health and Safety Code Section 50052.5) for a period of not less than forty-five (45) years. A Unit shall no longer be considered Affordable Housing following the expiration or termination of the applicable covenant, restriction or agreement.

"Annual Escalation Factor" means for the Special Tax, the greater of (i) two percent (2.00%), or (ii) the percentage change in the Consumer Price Index for the Calendar Year ending in December of the prior Fiscal Year.

"Assessor's Parcel" means a lot or parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel number within the boundaries of CFD No. 2007-1.

“Assessor’s Parcel Map” means an official map of the Assessor of the County designating parcels by Assessor’s Parcel number.

“Base Year” means Fiscal Year ending June 30, 2008.

“Boundary Map” means the map of the boundaries for CFD No. 2007-1, as approved by the City Council, and recorded with the County in maps of assessments and community facilities districts.

“Building Permit” means a permit for new construction for a residential dwelling Unit. For purposes of this definition, “Building Permit” shall not include permits for construction or installation of retaining walls, utility improvements, or other such improvements not intended for human habitation.

“Calendar Year” means the period commencing January 1 of any year and ending the following December 31.

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

“CFD No. 2007-1” means Community Facilities District No. 2007-1 (Public Services) established by the City under the Act.

“City” means the City of Covina.

“City Council” means the City Council of the City, acting as the Legislative Body of CFD No. 2007-1, or its designee.

“Consumer Price Index” means the index published by the U.S. Department of Labor, Bureau of Labor Statistics for all urban consumers in the Los Angeles-Riverside-Orange County area.

“County” means the County of Los Angeles.

“Developed Property” means all Assessor’s Parcels within CFD No. 2007-1 for which Building Permits were issued on or before May 1 preceding the Fiscal Year for which the Special Tax is being levied, provided that a Final Map was created on or before January 1 of the prior Fiscal Year and that each such Assessor's Parcel is associated with a Lot, as determined reasonably by the City and/or CFD administrator.

“Exempt Property” means all Assessor’s Parcels within CFD No. 2007-1 designated as being exempt from the Special Tax as determined in Section F.

“Final Map” means a subdivision of property evidenced by the recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or the recordation of a condominium plan pursuant to California Civil Code 1352 that creates individual lots for which Building Permits may be issued without further subdivision.

“Fiscal Year” means the period commencing on July 1 of any year and ending the following June 30.

“Lot” means an individual legal lot created by a Final Map for which a Building Permit could or has been issued.

“Maximum Special Tax” means the Maximum Special Tax determined in accordance with Section C, which can be levied by CFD No. 2007-1 in any Fiscal Year on Taxable Property within CFD No. 2007-1.

“Mixed-Use Property” means all Assessor’s Parcels of Developed Property for which Building Permit(s) have been issued for purposes of constructing Non-Residential Property and Residential Property. Residential Units on Mixed-Use Property shall be classified as Multi-Family Residential.

“Multi-Family Residential” means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing a residential structure consisting of two or more residential Units that share common walls, including, but not limited to, duplexes, triplexes, town homes, condominiums, apartment Units, and residential Units on Assessor’s Parcels that are considered Mixed-Use Property.

“Non-Residential Property” means all Assessor’s Parcels for which a Building Permit was issued for any type of non-residential use.

“Public Property” means any property within the boundaries of CFD No. 2007-1 that is owned by or irrecoverably dedicated to the City, the federal government, the State of California, the County, CFD No. 2007-1, or other public agency. For purposes of this definition, property owned by the Redevelopment Agency of the City of Covina is **not** considered Public Property and any property owned by the Redevelopment Agency will be subject to the levy of a Special Tax in accordance with Sections C and D herein.

“Public Services” means new police services, fire protection and suppression services, paramedic services, and park maintenance, including but not limited to (i) the costs of contracting services, (ii) related facilities, equipment, vehicles, ambulances, fire apparatus and supplies, (iii) the salaries and benefits of City and Fire District staff that directly provide police services, fire protection and suppression services, paramedic services, and park maintenance, and (iv) City and Fire District overhead costs associated with providing such services within CFD No. 2007-1. The Special Tax provides only partial funding for police, fire protection services, paramedic services, and park maintenance.

“Special Tax” means any special tax authorized to be levied by CFD No. 2007-1 pursuant to the Act to fund the Special Tax Requirement.

“Single-Family Residential” means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing one single-family residential dwelling Unit.

“Taxable Property” means all Assessor’s Parcels within CFD No. 2007-1 that are not exempt from the levy of the Special Tax.

“Tax Class” means any of the classes listed in Table 1 below.

“Undeveloped Property” means all Assessor’s Parcels within CFD No. 2007-1 for which Building Permits have not been issued and that is not classified as Approved Property or Public Property.

“Unit” means any separate residential dwelling unit in which a person or persons may live, which comprises an independent facility capable of conveyance separate from adjacent residential dwelling units and is not considered to be for commercial or industrial use.

B. CLASSIFICATION OF ASSESSOR’S PARCELS

Each Fiscal Year, beginning with Fiscal Year 2007-2008, each Assessor’s Parcel within CFD No. 2007-1 shall be classified as Developed Property or Exempt Property. In addition, each Fiscal Year, beginning with Fiscal Year 2007-2008, each Assessor’s Parcel of Developed Property shall be further classified as Single-Family Residential, Multi-Family Residential, or Mixed-Use Property.

C. MAXIMUM ANNUAL SPECIAL TAX

The Maximum Special Tax for each Assessor’s Parcel classified as Single-Family Residential, Multi-Family Residential, and Mixed-Use Property in Fiscal Year 2007-2008 shall be equal to the Maximum Special Tax set forth in Table 1.

TABLE 1
MAXIMUM ANNUAL SPECIAL TAX RATES
Fiscal Year 2007-2008

Tax Class	Description	Maximum Special Tax
1	Single-Family Residential	\$527 per Unit
2	Multi-Family Residential	\$395 per Unit
3	Mixed-Use Property	\$395 per Unit

For each subsequent Fiscal Year following the Base Year, the Maximum Special Tax for each Assessor’s Parcel classified as Developed Property shall be adjusted by the Annual Escalation Factor.

Multiple Tax Classes

In some instances an Assessor’s Parcel may contain more than one Tax Class. The Maximum Special Tax levied on such Assessor’s Parcel shall be the sum of the Maximum Special Tax that can be imposed on all Tax Classes located on that Assessor’s Parcel.

D. METHOD OF APPORTIONMENT OF SPECIAL TAX

Commencing with Fiscal Year 2007-2008, and for each subsequent Fiscal Year, the Special Tax shall be levied on each Assessor’s Parcel of Developed Property at the applicable Maximum Special Tax as set forth in Section C.

E. TERMINATION OF SPECIAL TAX

The Special Tax shall be levied in perpetuity to fund Public Services provided to CFD No. 2007-1.

F. EXEMPTIONS

The City shall classify as Exempt Property: (i) Public Property, (ii) Non-Residential Property, (iii) Undeveloped Property, (iv) Affordable Housing, or (v) Assessor's Parcels with public or utility easements making impractical their utilization for other purposes than those set forth in the easement.

G. APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the City Council not later than twelve months after having paid the first installment of the Special Tax that is disputed. A representative(s) of CFD No. 2007-1 shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the representative's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made, but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s).

H. MANNER OF COLLECTION

The annual Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 2007-1 may collect the Special Taxes at a different time or in a different manner if necessary to meet its financial obligations.

EXHIBIT B
SAMPLE BALLOT



OFFICIAL BALLOT
SPECIAL ELECTION

City of Covina
Community Facilities District No. 2007-1
(Public Services)
Annexation No. 37

This ballot is for a special landowner election. You must return this ballot in the enclosed postage paid envelope to the Office of the City Clerk of the City of Covina no later than 7:30 p.m. on June 3, 2025, either by mail or in person. Ballots received after the special election with a postmark of the special election date, or earlier date, shall not be considered. The City Clerk's office is located at 125 East College Street, Covina, California, 91723.

To vote, mark a cross (X) or a check mark in the voting square after the word "YES" or after the word "NO". All distinguishing marks otherwise made are forbidden and make the ballot void.

If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Covina and obtain another.

PROPOSITION A: Shall special taxes be levied annually on taxable property within the territory to be annexed into the City of Covina Community Facilities District No. 2007-1 (Public Services), County of Los Angeles, State of California ("Annexation No. 37") and collected so long as the special taxes are needed to pay for police services, fire protection and suppression services, paramedic services, and park maintenance at the special tax rates and pursuant to and as described in the rate and method of apportionment ("RMA") attached hereto as Exhibit A and incorporated herein and as also set forth in the to the Resolution of Intention, Resolution No. 07-6578, adopted by the City Council of the City of Covina on May 1, 2007, and as amended by Resolution No. 09-6743?	<input type="checkbox"/> Yes <input type="checkbox"/> No
PROPOSITION B: Shall an appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, be established for Annexation No. 37 to the City of Covina Community Facilities District No. 2007-1 (Public Services), County of Los Angeles, State of California, in the amount of \$100,000 per annum?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Number of votes: 1 Property Owner: Longcong Ke & Meiqin Ke

By: _____
Longcong Ke

By: _____
Meiqin Ke