Special Meeting of the Enhanced Infrastructure Financing District Public Financing Authority
City Council Chambers
18747 Clarkdale Avenue
Artesia, CA 90701
(562) 865-6262

Monday, April 13, 2026
6:00 PM

Authority Board Member - City of Artesia Mayor Rene Trevino
Authority Board Member - City of Artesia Councilmember Monica Manalo
Authority Board Member - Los Angeles County Supervisor Janice Hahn
Authority Board Member - Marcia Alfaro, Public Member
Authority Board Member - Skip Vega, Public Member

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC COMMENTS

Anyone wishing to speak is asked to fill out a speaker card and submit it to the staff to address the committee. Public comments may be submitted by email at publiccomments@cityofartesia.us before 12:00 p.m. on the date of the meeting. All public comments are limited to a three-minute time period. Under California law, public comments at special meetings are limited to subjects on the agenda only.

3.A. Public Comment

4. ITEMS

4.A. Resolution Regarding Public Financing Authority By-Laws

— Recommendation: Adopt Resolution No. PFA 26-01 A Resolution of the Artesia Enhanced Infrastructure Financing District Public Financing Authority, Adopting By-Laws for the Enhanced Infrastructure Financing District and Directing Staff to Prepare the Infrastructure Financing Plan for the District.

4.B. Appointment of Alternate Member to Artesia Enhanced Infrastructure Financing District Public Financing Authority

— Recommendation: Receive and File.

4.C. Overview of an Enhanced Infrastructure Financing District and Public Finance Authority

— Recommendation: Receive and file.

5. AUTHORITY MEMBER REMARKS

6. STAFF REMARKS

7. ADJOURNMENT

Date Posted: April 9, 2026

ENHANCED INFRASTRUCTURE FINANCING DISTRICT PUBLIC FINANCING AUTHORITY AGENDA REPORT

MEETING DATE: April 13, 2026 **ITEM NO:** **4A.**

TO: Chair and Governing Board Members

SUBJECT: Resolution Regarding Public Financing Authority By-Laws

FROM: Carmen Zambrano, Management Analyst

REVIEWED AND APPROVED BY:
Melissa Burke, Deputy City Manager
Jamie Murguia, Finance Manager
HongDao Nguyen, City Attorney
Abel Avalos, City Manager

RECOMMENDATION:
Staff recommends that the Public Financing Authority, by motion, adopt Resolution No. PFA 26-01, A Resolution of the Artesia Enhanced Infrastructure Financing District Public Financing Authority, Adopting By-Laws for the Enhanced Infrastructure Financing District and Directing Staff to Prepare the Infrastructure Financing Plan for the District.

BACKGROUND:
On October 13, 2025, the City Council of the City of Artesia ("City") adopted a Resolution of Intention (ROI) to form the Artesia Enhanced Infrastructure Financing District (EIFD). On February 10, 2026, the Board of Supervisors of the County of Los Angeles ("County") adopted an ROI to participate with the City in the Artesia EIFD. The adoption of the ROI formally initiated the EIFD formation process and established the Public Financing Authority (PFA), whose role is to oversee the formation and ongoing activities of the EIFD. The membership of the PFA is comprised of two members of the City Council, one member of the County Board of Supervisors or her designee, and two members of the public, one chosen by the City Council, and one chosen by the County Board of Supervisors.

ANALYSIS:
The PFA is responsible for implementing and overseeing the Infrastructure Financing Plan (IFP), which will be the governing document for future EIFD activities. Following authorization by the PFA, City staff (as staff to the PFA) and the City's consultant, provided through the Los Angeles County Metro Value Capture Support program, will begin to draft the IFP with the goal of distributing a draft and holding the initial public meeting on the IFP in May 2026. Following this initial public meeting would be two public hearings that the PFA must hold to adopt the IFP and form the EIFD. The IFP would additionally require review and approval by the City Council and County Board of Supervisors, separate from the PFA, prior to the final PFA public hearing previously mentioned.

While by-laws are not a requirement pursuant to State law, staff recommends that the PFA adopt this set of by-laws to help govern the actions and activities of the PFA. Staff worked with the consultant and the City Attorney's office to develop these proposed by-laws, which are similar to what other EIFDs and their governing PFAs across California have adopted.

FISCAL IMPACT:
There is no Fiscal Impact associated with the approval of Resolution No. PFA-01.

Attachments

Resolution PFA 26-01.pdf

RESOLUTION NO. PFA 26-01

A RESOLUTION OF THE CITY OF ARTESIA ENHANCED INFRASTRUCTURE FINANCING DISTRICT PUBLIC FINANCING AUTHORITY ADOPTING BY-LAWS FOR THE ENHANCED INFRASTRUCTURE FINANCING DISTRICT AND DIRECTING STAFF TO PREPARE THE INFRASTRUCTURE FINANCING PLAN FOR THE ENHANCED INFRASTRUCTURE FINANCING DISTRICT

WHEREAS, the City Council of the City of Artesia adopted a Resolution of Intention to form an Enhanced Infrastructure Financing District (EIFD) on October 13, 2025, formally establishing the governing Public Financing Authority (PFA);

WHEREAS, the Board of Supervisors of the County of Los Angeles (County) adopted a Resolution of Intention to participate with the City in the Artesia EIFD on February 10, 2026;

WHEREAS, an EIFD is a governmental entity, legally separate and distinct from the City, and is governed by a PFA for the purpose of funding public capital facilities and infrastructure, as well as other specified projects;

WHEREAS, the Public Financing Authority of the Artesia Enhanced Infrastructure Financing District held its first meeting on April 13, 2026; and

WHEREAS, the PFA is responsible for implementing and overseeing the Infrastructure Financing Plan (IFP), the governing document for EIFD activities.

NOW, THEREFORE, THE CITY OF ARTESIA ENHANCED INFRASTRUCTURE FINANCING DISTRICT PUBLIC FINANCING AUTHORITY HEREBY DETERMINES, FINDS, AND RESOLVES AS FOLLOWS:

SECTION 1. The Authority hereby finds that the adoption of this Resolution is exempt from CEQA because the actions solely related to the governance and financing and is not in-and-of itself a “project” (pursuant to CEQA Guidelines Section 15378) since it does not result in a physical change in the environment because the City has not committed itself to fund any specific projects through the EIFD. Future actions (such as the funding and/or approval of infrastructure improvements using funding from the EIFD) will be subject to environmental review in accordance with CEQA.

SECTION 2. The Public Financing Authority hereby adopts the proposed By-laws, as attached as Exhibit “A” and incorporated herein by this reference.

SECTION 3. Direct Staff, in accordance with Government Code Section 53398.62(a) to begin preparation of the Infrastructure Financing Plan for the Enhanced Infrastructure Financing District.

SECTION 4. The Board Chair of the Authority, or presiding officer, is hereby authorized to affix their signature to this Resolution signifying its adoption by the Authority and the Staff Secretary is directed to attest thereto.

PASSED, APPROVED AND ADOPTED on this 13th day of April 2026.

____
BOARD CHAIR

ATTEST:

____
BOARD SECRETARY

APPROVED AS TO FORM:

____
BOARD ATTORNEY

EXHIBIT “A”

CITY OF ARTESIA ENHANCED INFRASTRUCTURE FINANCING DISTRICT PUBLIC FINANCING AUTHORITY BYLAWS

CITY OF ARTESIA ENHANCED INFRASTRUCTURE FINANCING DISTRICT PUBLIC FINANCING AUTHORITY BYLAWS

ARTICLE I — NAME AND PURPOSE

Section 1 — Name: The name of the governing body for the City of Artesia Enhanced Infrastructure Financing District ("District") shall be the City of Artesia Enhanced Infrastructure Financing District Public Financing Authority ("Authority"). The District is a legally constituted local governmental entity separate and distinct from the City of Artesia ("City") and the County of Los Angeles ("County"), subject to the Ralph M. Brown Act, as well as the California Public Records Act and Political Reform Act of 1974. The District was established for the sole purpose of financing public facilities, remediation, affordable housing or other projects as authorized by Chapter 2.99 of the California Government Code (the "EIFD Law").

Section 2 — Purpose: The District is organized exclusively for implementing the District Infrastructure Financing Plan ("Plan") prepared and adopted pursuant to Sections 53398.59 – 53398.74 of the Government Code.

ARTICLE II — MEMBERSHIP

Section 1 — Membership: The Authority shall consist of a Board of Directors (collectively, the "Authority Board" or individually, "Directors") comprised of two members of the City Council of the City consisting of the City Council Economic Development Subcommittee members, one member of the County of Los Angeles ("County") Board of Supervisors or their designee, and two members of the public, one chosen by the City Council and one chosen by the County Board of Supervisors ("County Supervisors"). Members of the public with respect to the City shall be appointed by a majority vote of the Council and shall serve at the pleasure of the Council and until their successor assumes office. Members of the public with respect to the County shall be appointed by a majority of the County Supervisors and shall serve at the pleasure of the County Supervisors.

Section 2 — Alternates: The County Supervisor appointed to the Authority Board shall designate, in writing submitted to the Chair of the Authority Board, a Deputy or other official in that Supervisor's District Office to act for him or her and represent him or her at any or all meetings of the Authority Board in case of absence. The City Council may designate a member of the City Council as an alternate member that is authorized to act and represent City Council Economic Development Subcommittee members at any or all meetings of the Authority Board in case of absence.

Section 3 — Authority Board Role and Compensation: The Authority Board is responsible for overall policy and direction of the District and delegates responsibility of day-to-day operations to staff of the City. Directors shall receive no compensation for their service on the Authority Board but may receive reimbursement for actual and necessary expenses incurred in the performance of their official duties pursuant to Section 53398.51.1(c) of the Government Code.

Section 4 — Vacancies: When a vacancy on the Authority Board exists, the Chair of the Authority Board shall notify the Chair of the County Board of Supervisors and Mayor of the City and request that a replacement be approved by the applicable body to fill the vacancy. Vacancies of public members shall be filled in compliance with Government Code Section 54974.

Section 5 — Resignation: Resignation from the Authority Board must be in writing and received by the Executive Director and delivered to the City Council or Board of Supervisors, as appropriate.

ARTICLE III - MEETINGS

Section 1 — Meetings and notice: All meetings of the Authority Board shall be noticed in accordance with the Ralph M. Brown Act. The Authority Board shall meet at least annually, at an agreed upon time and place, for the purpose of adopting an annual report within seven months of the close of each fiscal year after holding a public hearing, or otherwise as required for purposes of compliance with the statute governing EIFD activities. The Authority may hold remote meetings as provided by law.

Section 2 — Quorum: A majority of the total membership of the Authority Board constitutes a quorum for the transaction of business. No act of the Authority Board shall be valid or binding unless a majority of all the Directors are present. The abstention or recusal of a Director who is nonetheless present for discussion and voting on an item shall not affect the presence of a quorum.

Section 3 — Special meetings: Special meetings of the Authority Board shall be called and held in accordance with the Ralph M. Brown Act.

Section 4 — Robert's Rules: The rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern the Authority Board meetings in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any applicable federal, State and local laws, including but not limited to, the Ralph M. Brown Act. Failure to follow the parliamentary rules of procedures as prescribed in *Robert's Rules of Order Newly Revised* shall not invalidate any action taken by the Authority Board.

Section 5 — Public Participation: Members of the public may address the Authority Board on a particular agenda item or during public comment by submitting a written request to Authority Board staff. A person requesting to address the Authority Board will be allowed a total of three (3) minutes per item. The Chair may, in their discretion, subject to action by a majority of the Authority Board, choose to limit or expand public testimony as necessary to ensure the Authority Board's ability to conduct its business in a reasonably efficient manner. Notwithstanding the previous sentence, public participation in remote on-line meetings may be as permitted by law.

ARTICLE IV – OFFICERS

Section 1 — Officers and Duties: There shall be two (2) Officers of the Authority Board, consisting of a Chair and Vice Chair. Their duties are as follows:

- At all times, the Chair shall be the highest ranking City Council Member that is on the Authority Board (i.e. Mayor, Mayor Pro-Tem, Councilmember in that order). The Chair shall convene regularly scheduled Authority Board meetings, shall preside or arrange for other members of Authority Board to preside at each meeting in the following order: (1) Chair, (2) Vice Chair, (3) the second highest ranking City Council Member that is on the Authority Board, and (4) the City designated alternate.
- The Vice Chair shall be the highest ranking County officer that is on the Authority Board (i.e., County Supervisor or County's Supervisor Designee). If there are no County officers on the Authority Board, the Vice Chair shall be the second highest ranking City Council Member that is on the Authority Board, or the City designated alternate.

Section 2 — Terms: The position of Chair and Vice Chair shall serve for as long as such person is on the Authority Board and meets the definition above.

Section 3 – Endorsements: Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance or other instrument in writing and any assignment or endorsement thereof approved by the Authority Board to be executed or entered into between the Authority Board and any other person, when signed by an Officer, shall be valid and binding on the Authority Board in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same. Any such instruments may be signed by any other person or persons and in such manner as from time to time shall be determined by resolution of the Authority Board, and, unless so authorized by the Authority Board, no officer, agent or employee shall have any power or authority to bind the Authority Board or the District by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

ARTICLE V — DIRECTOR AND STAFF

Section 1 — Executive Director: The City Manager of the City of Artesia shall act as Executive Director of the Authority.

Section 2 — Executive Director Responsibilities: Under the direction of the Authority Board, the Executive Director has day-to-day responsibilities for the District, including carrying out the organization's goals and policies. The Executive Director or their designee will attend all Authority Board meetings, report on the progress of the

District, answer questions of the Directors and carry out the duties described in the job description. The Authority Board can designate other duties as necessary.

Section 3 — *Staff Secretary:* The Executive Director shall designate a member of the City staff to serve as the Authority Board Staff Secretary. The Staff Secretary shall be responsible for keeping records of Authority Board actions, including overseeing the taking of minutes at all Authority Board meetings, sending out meeting announcements, distributing copies of minutes and the agenda to each Director, and assuring that Authority records are maintained in accordance with the law.

Section 4 — *Other Staff.* The Executive Director may utilize other City staff to carry out the work of the District as needed.

ARTICLE VI — AMENDMENTS

Section 1 — Amendments: Any provision of these bylaws may be amended when necessary by majority vote of the Authority Board.

ARTICLE VII - EXPENSES

Section 1 – Expenses: All of the City and County expenses incurred in forming the EIFD and administrating the EIFD may be paid by funds of the EIFD so long as such expenses are permitted under applicable laws.

CERTIFICATION

These bylaws were approved at a meeting of the Authority Board by a majority vote on April 13, 2026.

______________________________ ____________________
Board Secretary Date

ENHANCED INFRASTRUCTURE FINANCING DISTRICT PUBLIC FINANCING AUTHORITY AGENDA REPORT

MEETING DATE: April 13, 2026 **ITEM NO:** **4B.**

TO: Chair and Governing Board Members

SUBJECT: Appointment of Alternate Member to Artesia Enhanced Infrastructure Financing District Public Financing Authority

FROM: Carmen Zambrano, Management Analyst

REVIEWED AND APPROVED BY:
Melissa Burke, Deputy City Manager
Jamie Murguia, Finance Manager
HongDao Nguyen, City Attorney
Abel Avalos, City Manager

RECOMMENDATION:
Staff recommends that the Public Financing Authority receive and file the appointment of an alternate member to the Artesia Enhanced Infrastructure Financing District (EIFD) Public Financing Authority (PFA) on behalf of the Fourth District Supervisor of the Los Angeles County Board of Supervisors, Janice Hahn.

BACKGROUND:
Pursuant to Article II (Membership), Sections 1 and 2 of the City of Artesia Enhanced Infrastructure Financing District Public Financing Authority Bylaws, the Authority Board is composed of two members of the City Council, one member of the Los Angeles County Board of Supervisors (or their designee), and two public members. The bylaws further allow each appointing authority to designate an alternate to serve in the event of absence, and such appointment may be made in writing by letter to the Chair of the Authority Board.

A letter has been received and is attached to this staff report designating Andy Perez as her appointed alternate to represent her at any or all meetings of the Public Financing Authority.

Attachments

Appointment of Alternate Member of Artesia EIFD PFA.pdf

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
822 KENNETH HAHN HALL OF ADMINISTRATION / LOS ANGELES, CALIFORNIA 90012
Telephone (213) 974-4444 / FAX (213) 626-6941

JANICE HAHN
SUPERVISOR, FOURTH DISTRICT

March 11, 2026

Honorable Rene Trevino
Mayor
City of Artesia
18747 Clarkdale Avenue
Artesia, California 90701

RE: Appointment of Alternate Member to Artesia Enhanced Infrastructure Financing District

Dear Honorable ~~Trevino~~ Rene

I hereby appoint Andrew Perez to serve as my alternate on the Artesia Enhanced Infrastructure Financing District (EIFD) pursuant to Article II-Membership, Section 2-Alternates of the Artesia EIFD Bylaws, which states:

> *The County Supervisor appointed to the Authority Board may designate, in writing submitted to the Chair of the Authority Board, a Deputy or other official in that Supervisor's District Office to act for him or her and represent him or her at any or all meetings of the Authority Board*

My alternate shall have the authority to act on my behalf and represent me at all meetings and hearings of the Authority Board at which I am not present, including serving in any officer position of the Authority Board to which I have been elected.

Thank you for your assistance in completing the appointment. If my office can be of assistance, please do not hesitate to contact Judi Clarke at 213.974.4444 or juclarke@bos.lacounty.gov.

Sincerely,

JANICE HAHN
Supervisor, Fourth District
County of Los Angeles

cc: Honorable Melissa Ramoso, Mayor Pro Tem
Honorable Monica Manalo, Councilmember
Honorable Zeel Ahir, Councilmember
Honorable Ali Taj, Councilmember

ENHANCED INFRASTRUCTURE FINANCING DISTRICT PUBLIC FINANCING AUTHORITY AGENDA REPORT

MEETING DATE: April 13, 2026 **ITEM NO:** **4C.**

TO: Chair and Governing Board Members

SUBJECT: Overview of an Enhanced Infrastructure Financing District and Public Finance Authority

FROM: Carmen Zambrano, Management Analyst

REVIEWED AND APPROVED BY:

Melissa Burke, Deputy City Manager
Jamie Murguia, Finance Manager
HongDao Nguyen, City Attorney
Abel Avalos, City Manager

RECOMMENDATION:

Staff recommends that the Public Financing Authority receive and file the presentation.

BACKGROUND:

Joseph Dieguez, the City's representative for the Metro Value Capture Support Program, will provide an overview of the purpose of the Artesia EIFD, the PFA's responsibilities including the development of the Infrastructure Financing Plan (IFP), and next steps.

Attachments

Introductory Meeting of the EIFD PFA Presentation

Introductory Meeting of the Enhanced Infrastructure Financing District (EIFD) Public Financing Authority (PFA)

ARTESIA | CA

April 13, 2026

Metro

Prepared by the Metro Value Capture Support Advisory Team
Morgner, Kosmont Companies, NBS, Community Connections

Executive Summary

- Artesia has evaluated the use of an Enhanced Infrastructure Financing District (EIFD) to capture value from potential new development to fund critical infrastructure and community investment priorities without increasing taxes

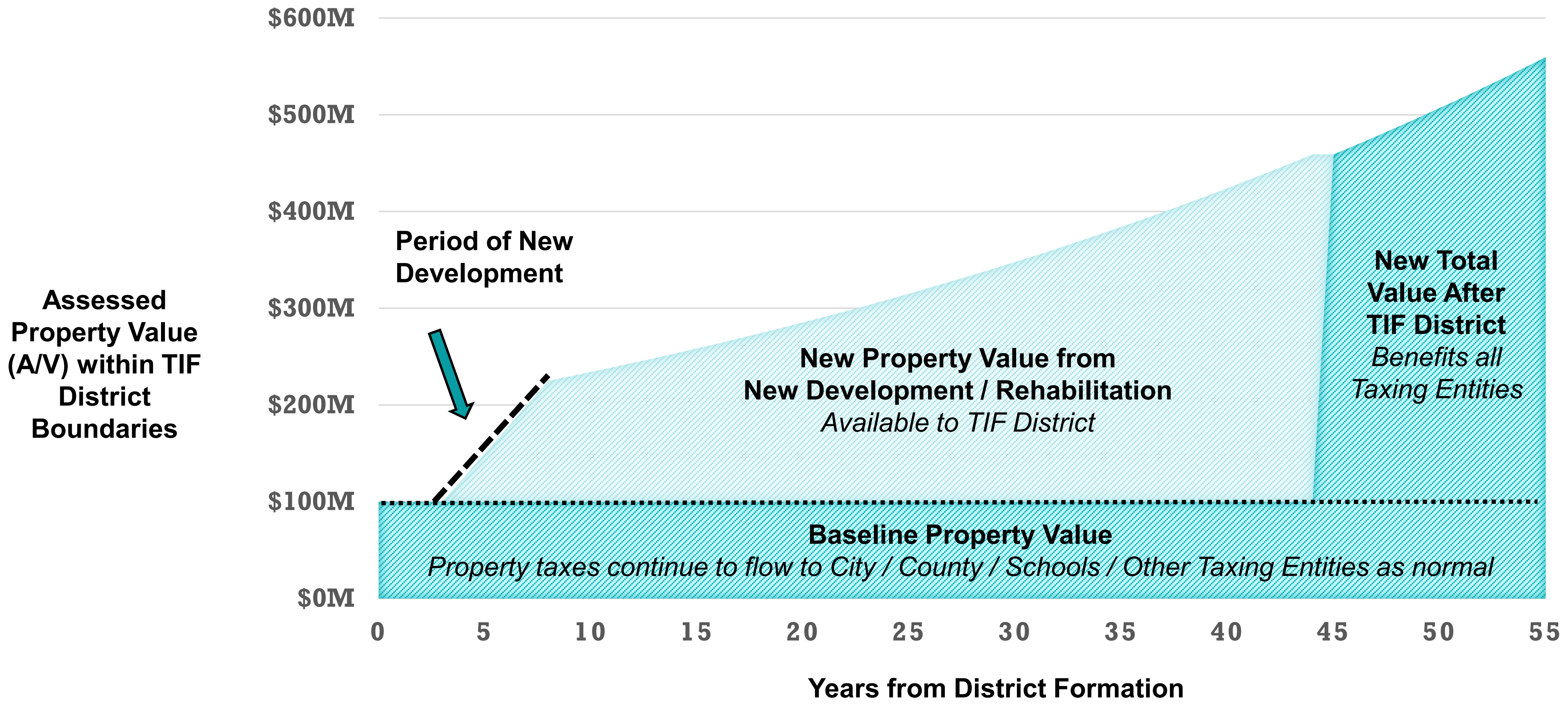
- City Council adopted a Resolution of Intention (ROI) to form the EIFD on October 13, 2025

- County Board of Supervisors adopted a Resolution of Intention (ROI) to participate in the EIFD on February 10, 2026

- Purpose of today's meeting is to review "EIFD 101", consider PFA Bylaws, and direct preparation of the guiding Infrastructure Financing Plan (IFP)

- Next steps include drafting of the IFP, presentation of the IFP at a series of PFA public meetings and hearings, separate City Council and County Board of Supervisors approval – completion targeted before August 2026

Tax Increment Financing (TIF) Overview – Not a New Tax



Note: Illustrative. Conservative 2% growth of existing assessed value (A/V) shown; does not include mark-to-market increases associated with property sales.

Contents of the Infrastructure Financing Plan (IFP)

A. Description of the District

B. Description of Proposed Facilities and Development

C. Finding of Communitywide Significance

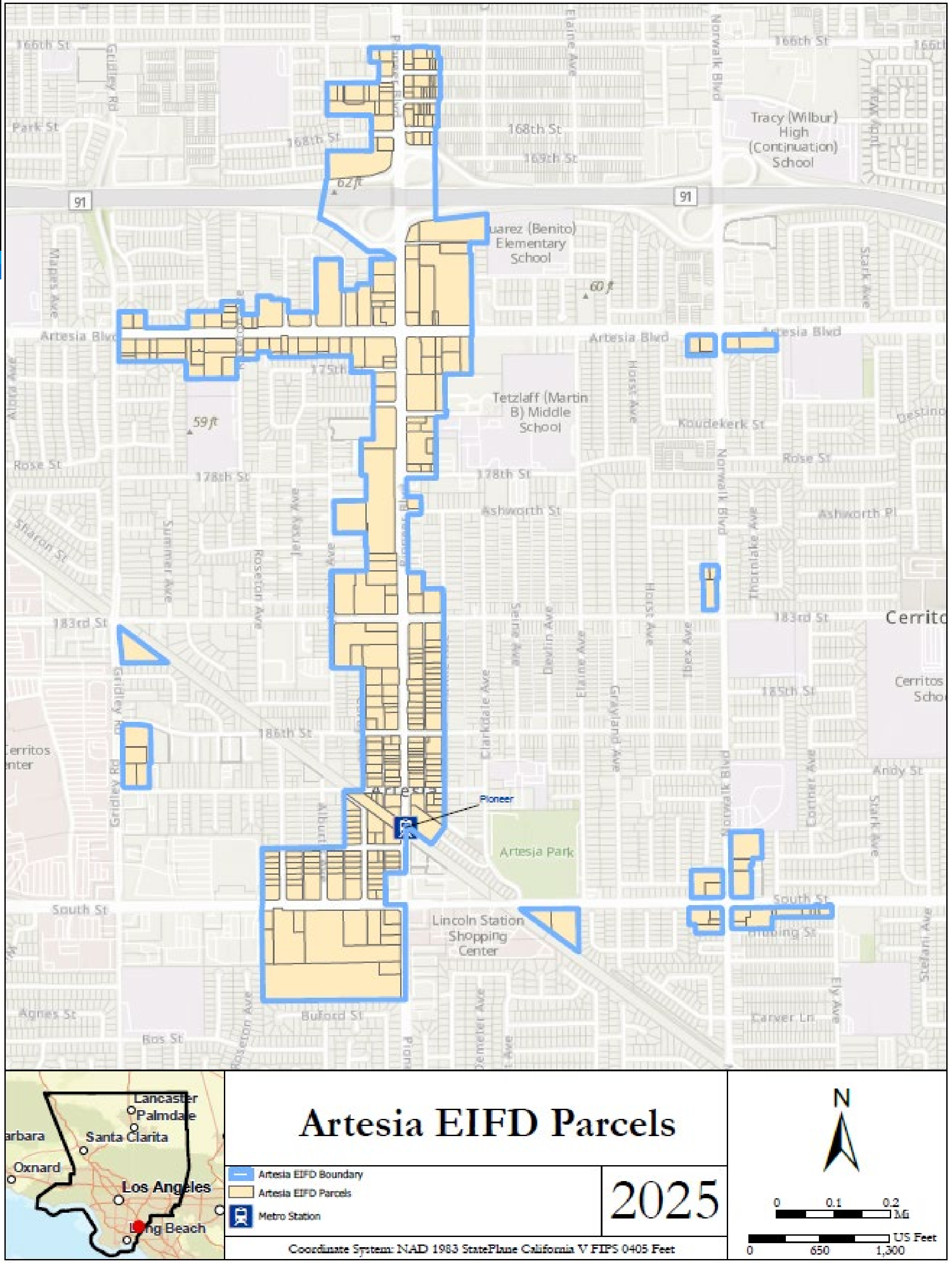
D. Financing Section

E. Goals of the District

F. Appendices (e.g., Legal Description, Financial Analysis Detail)

EIFD Boundaries

- Approx. 324 acres (~31% of City)
- Approx. $577M in existing assessed value (~25% of City)
- Metro Southeast Gateway Line **Pioneer Station** at the core



Source: NBS, Los Angeles County Auditor-Controller (2026)

Potential Investments to Receive EIFD Funding

Top Priorities

a) Metro SGL 3% local cost match contribution (approximately $15M in May 2025)

b) 20% set-aside for **Affordable Housing** (e.g., gap funding to facilitate affordable housing development utilizing the City's existing Housing Authority)

Secondary Priorities

a) Water, sewer, other utility capacity enhancements

b) Roadway, streetscape improvements along Pioneer Blvd.

c) SGL First and Last Mile Improvements / Improvements to the Historic District Multi-Use Trail adjacent to the future SGL line

d) Park Improvements for Artesia Park and A.J. Padelford Park

e) Public Safety / Sheriff facilities

f) Broadband internet infrastructure

g) Undergrounding utilities

Draft Financing Section Terms

- City commits **50%** to **75%** of its future property tax increment within the boundary for approx. 50 years (remaining portion flows to General Fund)

- County matches the City's allocation dollar-for-dollar, equivalent to ~**33%** to ~**49%** of its future property tax increment within the boundary for approx. 50 years (remaining portion flows to General Fund)

EIFD Revenue Allocation Scenario	Year 10 Accumulated Revenue + Bonding Capacity*	50-Year Present-Value @ 3% Discount Rate
A) City 50% + County Dollar Match (~33% of County share)	$9,943,000	$39,875,000
B) City 75% + County Dollar Match (~49% of County share)	$15,246,000	$59,813,000

City allocation includes allocation from both AB8 + MVLF in-lieu. County allocation does not include MVLF in-lieu.
** Bonding capacity assumes Year 5 is first bond issuance for EIFD. "Year 10" means tenth year of revenue following district formation. Net proceeds shown. Bondable revenue assumes $25,000 admin charge, 150% debt service coverage. 6.0% interest rate; 30-year term. Proceeds net of 2% underwriter's discount, estimated reserve fund (maximum annual debt service), costs of issuance estimated at $350,000. Issuance costs may be payable from Federal Transit Administration (FTA) Transit-Oriented Development grant awarded to Los Angeles County Metro.*
Source: Kosmont Financial Services (KFS), registered municipal advisor.

Financing Districts work better with a Multi-Agency Partnership & Attract Other Funding

- Ideal strategy includes City / County partnership
- Districts which involve a multi-agency joint effort are more likely to win state grant funding sources
- Districts explicitly increase scoring for CA state housing grants (e.g., IIG, AHSC, TCC)

Other Public Sources

- *Cap-and-Trade / HCD grant & loan programs (AHSC, IIG, TCC,CERF)*
- *Prop 4 Climate Bond Fundings*
- *Prop 68 parks & open space grants*
- *Prop 1 water/sewer funds*
- *Caltrans ATP / HSIP grants*
- *Federal EDA / DOT / EPA funding*
- *Federal ARPA, Invest Act, IIJ Act*

Other Private Sources

- *Development Agreement / impact fees*
- *Benefit assessments (e.g., contribution from CFD)*
- *Private investment*

Regional and Communitywide Significance

- Housing, including significant potential for affordable units
- Economic revitalization, climate resilience, quality of life
- Sustainable infrastructure investment; **4,432** daily boardings anticipated for SGL Pioneer Station
- Job creation and wages
- Acceleration of development and related fiscal revenues for City and County general funds
- Attract other funding not otherwise available for City projects

Source for Boarding data: Metro Travel Demand Model

Potential EIFD Formation Schedule

Target Date	Task
COMPLETE **October 13, 2025**	a) City Council adopts Resolution of Intention (ROI) to form EIFD and formally establish PFA Board
COMPLETE **February 10, 2026**	b) County Board of Supervisors adopts ROI to participate with the City in the EIFD
TODAY **April 13, 2026**	c) PFA meets to direct the drafting of the Infrastructure Financing Plan (IFP)
by May 1, 2026	d) Distribute draft IFP to property owners, affected taxing entities, City Council, County Board of Supervisors, planning commission
May 11, 2026	e) PFA holds an initial public meeting to present the draft IFP
TBD June/July 2026	f) City Council and County Board of Supervisors consider resolutions approving IFP
July 8, 2026	g) PFA holds first public hearing to hear additional comments and take action to modify or reject IFP
August 10, 2026	h) PFA holds second public hearing to consider oral and written protests and take action to terminate proceedings or adopt IFP and form the district by resolution

Next Steps / Actions Items

- For tonight:
  a) Hear and address PFA questions and comments
  b) Consider PFA Bylaws
  c) Direct preparation of the Infrastructure Financing Plan (IFP)
- Targeting May 11, 2026 for the presentation of the draft IFP

Metro™

THANK YOU

Questions?

Disclaimer

The high-level analyses, projections, assumptions, rates of return, and any examples presented herein are for illustrative purposes and are not a guarantee of actual and/or future results. Project pro forma and tax analyses are projections only. Actual results may differ from those expressed in this analysis.

Discussions or descriptions of potential financial tools that may be available to the Client and public agencies are included for informational purposes only and are not intended to be to be “advice” within the context of this Analysis.

Municipal Advisory activities are conducted through Kosmont Companies’ affiliate, Kosmont Financial Services, which is Registered as a Municipal Advisor with the SEC and MSRB.

APPENDIX

Development Assumptions
Absorption Assumed over First 10 Years of District Lifetime

- Specific Plan allows for up to **1,981 new residential units** and up to **78,901 new commercial square feet**, envisioned over approximately 20 years
- This analysis focuses on the following assumptions deemed to me more likely in the near-to-mid-term (5-10 years out)

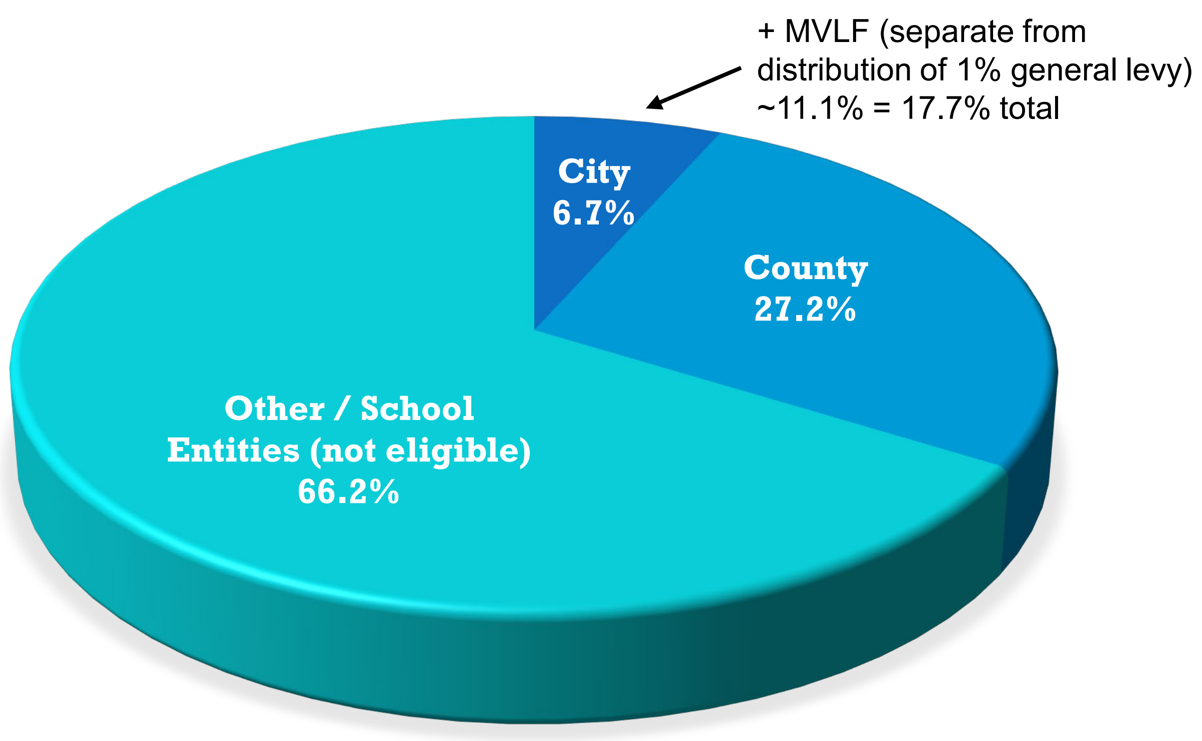
Land Use	# SF or Units	Estimated AV Factor	Estimated Total AV at Buildout
Residential	378 units	$350K per unit	$132 million
Hotel	111 rooms	$300K per room	$33 million
Commercial / Retail	17,900 SF	$350 PSF	$6 million
Total New Development Assumed within Study Area			**$172 million**

Note: AV at buildout values in current 2026 dollars. In actuality, model assumes absorption over time with annual escalation of assessed value factors.
Sources: Downtown Specific Plan; CoStar (2025)

Property Tax Revenues Available to EIFD

- Primary potential contributors of property tax are **City** and **County**
- City share varies by area and averages ~**6.7%** of every $1 collected in property taxes – City is a no-low property tax City subject AB 1197 Tax Equity Allocation (TEA)
  - City additionally receives equivalent of ~**11.1%** of property tax in lieu of motor vehicle license fees (MVLF), also available to EIFD
- County General Fund share varies by area and averages ~**27.2%**
  - County additionally receives property tax in lieu of MVLF, also available to EIFD, but not incorporated into this analysis to be conservative
- School-related entities cannot participate

Property Tax Distribution



As counties tend to rely more heavily on property tax revenue sources generated by new development within incorporated jurisdictions, it is Kosmont's experience that it is not reasonable to assume allocation of property tax in lieu of MVLF by the County. As cities benefit from additional non-property tax revenue sources (e.g., sales tax, transient occupancy tax) from new development, it is Kosmont's experience that it is reasonable for cities to consider contributing property tax in lieu of MVLF.
Tax Rate Area (TRA) weighted average distributions for EIFD Study Area shown. Post-ERAF (Education Revenue Augmentation Fund) distribution.
Parcels within former Redevelopment Agency Project Areas are subject to RPTTF revenue flow until expiration of ROPS obligations (2046 for Artesia).
Source: Los Angeles County Auditor Controller (2025)