



CITY OF LA VERNE

PUBLIC FINANCING AUTHORITY (EIFD)

Tim Hepburn, Chair

Steve Johnson, Member
Wayne Hurley, Member

Dr. Anthony Orlando, Member
Andrea Moreno, Member

Wednesday, March 11, 2026
Regular Meeting at 9:00 AM
La Verne City Hall - Council Chambers,
3660 D Street, La Verne, CA 91750

Attendance and participation at the City of La Verne Public Finance Authority (EIFD) meetings are welcomed and appreciated. Community engagement provides the Committee with valuable information. In compliance with the American Disabilities Act, any person with a disability who requires a modification or accommodation in order to participate in a meeting should contact the City Clerk's Office at (909) 596-8726 at least 48 hours prior to the meeting.

Persons addressing the Public Finance Authority (EIFD) shall be limited to 3 minutes unless an extension of time is granted by the Chair. When any group of persons wishes to address the Committee, it shall be proper for the Chair to request that a spokesperson be chosen to represent the group.

Public comments will be allowed on items on this Agenda at the time each item is considered. Public Comments is the time set aside for anyone wishing to address the Public Financing Authority on items not listed in any other place on the agenda and within the subject matter jurisdiction of the Board. Under the provisions of the Brown Act, the Board is prohibited from talking or engaging in discussion on any item not appearing on the posted agenda. However, your concerns may be referred to staff or set for discussion later. The Chair reserves the right to place limits on the duration of comments.

Mission of the Public Finance Authority (EIFD)

To accelerate the financing of public infrastructure improvements needed to attract the development that is envisioned within the City's Old Town La Verne Specific Plan and to complement the extension of the Metro Gold Line light rail system.

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

ROLL CALL

ELECTION OF VICE-CHAIR

PRESENTATIONS

APPROVAL OF MINUTES

- 1. Public Financing Authority (EIFD) Regular Meeting Minutes for June 11, 2025.**

Recommendation: That the Board approve the Regular Meeting Minutes for June 11, 2025.

DISCUSSION ITEMS

- 2. Designation of Enhanced Infrastructure Financing District Public Financing Authority Legal Counsel and Clerk of the Board.** The Board is requested to designate the Deputy City Clerk for the City as the Clerk of the Board and the City Attorney as the District Counsel.

Recommendation: That the Board designate the Deputy City Clerk for the City of La Verne as the Clerk of the Board and the City Attorney as the Board Counsel.

- 3. Consideration of Administrative Reimbursement Agreement between the City of La Verne and the La Verne Enhanced Infrastructure Financing District Public Financing Authority.** It is proposed that an Administrative Reimbursement Agreement between the Public Financing Authority (PFA) and the City of La Verne be entered into as a mechanism to reimburse the City for administrative functions provided to the PFA over the course of its existence.

Recommendation: That the Board approve the Administrative Reimbursement Agreement between the City of La Verne and the La Verne Enhanced Infrastructure Financing District Public Financing Authority.

- 4. Approval of an Agreement with Kosmont Financial Services for ongoing advisory services related to the La Verne Enhanced Infrastructure Financing District.** An agreement with Kosmont Financial Services to provide general consultation on EIFD technical matters, including, but not limited to, updated fiscal and financial projections, scoping and prioritization of projects for EIFD funding, and/or complementary funding and economic development strategies.

Recommendation: That the Board Approve an Agreement with Kosmont Financial Services for Ongoing Advisory Services and authorize the Executive Director to Execute the Agreement.

PUBLIC COMMENT

Public comments will be allowed on items not on the Agenda but within the subject matter jurisdiction of the Committee; however, no action may be taken on off-agenda items except as provided by law.

STAFF/COMMITTEE COMMUNICATION & INFORMATION

Committee members may ask a question for clarification, make a brief announcement, make a brief report on his/her own activities, request staff to report back at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.

ADJOURNMENT

The next regularly scheduled meeting of the Public Finance Authority (EIFD) will be held at 9:00 AM on June 10, 2026, at La Verne City Hall, 3660 D Street.

Posting Statement: A true copy of this Agenda was posted on March 5, 2026, on the bulletin board at La Verne City Hall, 3660 D Street, La Verne, and on the City's website at www.laverneca.gov

Public Financing Authority (EIFD) Agenda Report



DATE: March 11, 2026
TO: Honorable Chair and Commission Members
FROM: Ken Domer, City Manager
SUBJECT: PUBLIC FINANCING AUTHORITY (EIFD) REGULAR MEETING MINUTES FOR JUNE 11, 2025.

SUMMARY

The last PFA EIFD Board meeting was on June 11, 2025.

RECOMMENDATION

That the Board approve the Regular Meeting Minutes for June 11, 2025.

DISCUSSION

Please see attached minutes for approval.

FISCAL ANALYSIS

Not applicable

ENVIRONMENTAL ANALYSIS

Not applicable

LEGAL REVIEW

Not applicable

ATTACHMENTS

1. PFA EIFD 06-11-25 Minutes



**LA VERNE'S
ENHANCED INFRASTRUCTURE FINANCING DISTRICT
PUBLIC FINANCING AUTHORITY
REGULAR MEETING MINUTES**

**ACTION MINUTES
"see items in italics"**

**Wednesday, June 11, 2025, 9:00 a.m.
3660 D Street, La Verne, CA 91750
Council Chamber**

CALL TO ORDER: *The meeting was called to order at 9:07 a.m.*

BOARD MEMBERS: *Present* *Council Member Rick Crosby, Vice-Chair
Dr. Anthony Orlando, Member of the Public (County)
Wayne Hurley, Member of the Public, (City)
Andrea Moreno-Alt for Supervisor Hilda Solis*

BOARD MEMBERS: *Absent* *Mayor Tim Hepburn, Chairperson, Elected Member*

STAFF: *Present* *Ken Domer, City Manager
Kimberly Hall Barlow, City Attorney
Eric Scherer, Director of Community Development
Nicole Houston, Public Works Sr. Management Analyst
Debra Fritz, Deputy City Clerk*

- 1. Minutes of Public Financing Authority (EIFD)** for the meetings of June 12, 2024 and October 15, 2024.

Recommendation: That the Public Financing Authority approve the minutes.

Minutes for both meetings were approved.

- 2. Development Update** - Verbal update.

Recommendation: This item is information only. No action is required by the Board.

Community Development Director Eric Scherer provided a verbal information only update. No action was required by the Board.

- 3. Public Hearing – Annual Report** – Per State Law, the Public Financing Authority is required to adopt an annual report of activities undertaken within the last year.

Recommendation: That the Public Financing Authority Board conduct a Public Hearing on the “2024-2025 Annual Report of the City of La Verne Public Financing Authority (Authority) for the Enhanced Infrastructure Financing District”, taking any written or verbal testimony, and then adopt PFA Resolution No. 25-01, adopting the Annual Report for the EIFD for Fiscal Year 2024-2025 Per State Law Verbal update.

Vice Chair Rick Crosby opened the public hearing at 9:41 a.m. There were no public or written comments, the public hearing was closed and PFA Resolution No. 25-01, adopting the Annual Report as stated above, was approved.

4. Overview of Updated Financial Projections – Verbal Update

Recommendation: This item is information only. No action is required by the Board.

Kosmont Consultant Joe Viegas provided this verbal, information only update.

5. Discussion on Administrative Services Agreement - Verbal update.

Recommendation: This item is information only. No action is required by the Board.

City Manager Ken Domer provided a verbal update only, no action required.

6. A Line (Former Gold (L) Line) / Pedestrian Bridge – Project Update - Verbal update

Recommendation: This item is information only. No action is required by the Board.

City Manager Ken Domer, and Community Development Director Eric Scherer provided a verbal update only, no action required.

7. Board / Staff Comments - This is the time set aside for Board and/or Staff comments.

Andrea Moreno-Alt for Supervisor Hilda Solis inquired about the status of any federal grants.

PUBLIC COMMENTS/ORAL COMMUNICATIONS - This is the time set aside for anyone wishing to address the Public Financing Authority on items not listed in any other place on the agenda. Under the provisions of the Brown Act, the legislative body is prohibited from talking or engaging in discussion on any item not appearing on the posted agenda. However, your concerns may be referred to staff or set for discussion later. The Chair reserves the right to place limits on the duration of comments.

There were no public comments received.

ADJOURNMENT - The next regularly scheduled meeting of the Public Financing Authority will be held on Wednesday, September 10, 2025, at 9:00 a.m.

The meeting was adjourned at 10:22 a.m.

Respectfully submitted,

*Debra Fritz
Deputy City Clerk*

Public Financing Authority (EIFD) Agenda Report



DATE: March 11, 2026
TO: Honorable Chair and Commission Members
FROM: Ken Domer, City Manager
SUBJECT: **DESIGNATION OF ENHANCED INFRASTRUCTURE FINANCING DISTRICT
PUBLIC FINANCING AUTHORITY LEGAL COUNSEL AND CLERK OF THE
BOARD.**

SUMMARY

While the Bylaws of the Public Financing Authority designate the City Manager as the Executive Director, they do not designate a Clerk of the Board or District Counsel, even though those titles are mentioned in the Bylaws. This action officially will designate those positions for the record.

RECOMMENDATION

That the Board designate the Deputy City Clerk for the City of La Verne as the Clerk of the Board and the City Attorney as the Board Counsel.

DISCUSSION

The Enhanced Infrastructure Financing District Public Financing Authority (District) has no staff and relies entirely on the City for administrative services. In the bylaws for the District, as adopted by the District previously, the City Manager is designated as the Executive Director of the District. To be consistent with practices related to other Districts and to differentiate when positions are acting on behalf of the City or the District, it is requested that the District Board officially designate the City Clerk as the Clerk of the Board and the City Attorney as the District Counsel. In the future, if the Bylaws are updated, this designation will be added to the Bylaws.

FISCAL ANALYSIS

Not applicable.

ENVIRONMENTAL ANALYSIS

Not applicable.

LEGAL REVIEW

This report has been reviewed by legal counsel.

ATTACHMENTS

None

Public Financing Authority (EIFD) Agenda Report



DATE: March 11, 2026
TO: Honorable Chair and Commission Members
FROM: Ken Domer, City Manager
SUBJECT: **CONSIDERATION OF ADMINISTRATIVE REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF LA VERNE AND THE LA VERNE ENHANCED INFRASTRUCTURE FINANCING DISTRICT PUBLIC FINANCING AUTHORITY.**

SUMMARY

The proposed Administrative Reimbursement Agreement formalizes the relationship between the City and the Authority by authorizing the City to provide administrative, financial, legal, and operational support services to the EIFD, establishing procedures for reimbursement of the City's actual costs incurred in administering the EIFD, and providing transparency and accountability in the financial management of EIFD administrative activities. Approval of this agreement is a standard governance practice used by EIFDs and Public Financing Authorities throughout California.

RECOMMENDATION

That the Board approve the Administrative Reimbursement Agreement between the City of La Verne and the La Verne Enhanced Infrastructure Financing District Public Financing Authority.

DISCUSSION

Enhanced Infrastructure Financing Districts (EIFDs) were created by the California Legislature in 2014 through Senate Bill 628, codified in Government Code Section 53398.50 et seq. EIFDs allow cities and other participating taxing entities to finance public infrastructure through the use of tax increment revenues without the dissolution requirements that applied to former redevelopment agencies. Under state law, an EIFD is governed by a Public Financing Authority consisting of members of the legislative body of the participating city, and in this case, a member or designee of the County, and at least two members of the public.

Because EIFDs generally do not employ staff directly, the City provides the administrative, legal, and financial services necessary for district operations. To ensure fiscal transparency and proper accounting of these services, EIFDs commonly enter into Administrative Services Agreements or Administrative Reimbursement Agreements with the host city. The proposed agreement establishes the terms under which the City will provide such services and be reimbursed for reasonable costs incurred in administering the EIFD.

The Administrative Reimbursement Agreement establishes a formal framework through which the City will provide services necessary for the operation of the EIFD. These services include, but are not limited to:

- Administrative and management services
- Financial and accounting services
- Legal services provided by the City Attorney
- City Clerk services for agenda preparation, minutes, and recordkeeping
- Engineering and project administration support
- Procurement and consultant contract administration
- Compliance with state reporting requirements

These services are essential to the effective operation and governance of the EIFD. The agreement provides that the EIFD may reimburse the City for reasonable and actual costs incurred in administering the district. The City may submit invoices periodically for reimbursement, and the EIFD may pay those costs from legally available revenues, including tax increment revenues, bond proceeds (if legally permissible), or other EIFD funds. If EIFD revenues are not yet available, the City may advance administrative costs that will later be reimbursed once revenues are generated.

Administrative reimbursement agreements between a city and its EIFD or Public Financing Authority are common throughout California. Similar agreements have been adopted by a number of jurisdictions, including the cities of Carson, Palmdale, Rancho Cucamonga, West Sacramento, and Riverside. These agreements serve the same purpose as the proposed agreement for La Verne: ensuring that the administering city can provide operational support to the EIFD while maintaining transparency and accountability for administrative costs.

This subject matter was discussed at the June 11, 2025, EIFD meeting with consensus to develop an agreement and return to the Board for consideration.

FISCAL ANALYSIS

This item does not have a fiscal impact on its own, but it does allow for reimbursements approved by the Board through the annual budget process to be expended.

ENVIRONMENTAL ANALYSIS

Not applicable.

LEGAL REVIEW

The report and agreement has been legally reviewed by the City Attorney's office.

ATTACHMENTS

1. LV Reimbursement Agreement with EIFD

**ADMINISTRATIVE REIMBURSEMENT AGREEMENT BETWEEN
THE CITY OF LA VERNE AND THE LA VERNE ENHANCED INFRASTRUCTURE
FINANCING DISTRICT PUBLIC FINANCING AUTHORITY**

THIS ADMINISTRATIVE REIMBURSEMENT AGREEMENT (“Agreement”) is executed this ___ day of March, 2026, by and between the CITY OF LA VERNE, a California municipal corporation (“City”), and LA VERNE ENHANCED INFRASTRUCTURE FINANCING DISTRICT PUBLIC FINANCING AUTHORITY, a California local financing district (“District”) (collectively, the “Parties”).

R E C I T A L S:

WHEREAS, the California Legislature enacted Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with section 53398.50) (the “EIFD Law”) authorizing cities and counties to designate enhanced infrastructure financing districts (“EIFD”) and authorizing EIFDs to use specified property tax increment revenue generated within their boundaries to finance certain public facilities and projects of communitywide significance that provide significant benefits to the EIFDs or the surrounding community; and

WHEREAS, in enacting the EIFD Law, the California Legislature found and declared that with the dissolution of redevelopment agencies, public benefits will accrue if local agencies finance certain public facilities and projects authorized under the EIFD Law; and

WHEREAS, the City, pursuant to Resolution No. 17-47 adopted on June 19, 2017 (“Resolution of Intent”), declared its intention to form the District and formed the Public Financing Authority of the La Verne EIFD as the governing body of the District (the “PFA”); and

WHEREAS, the County of Los Angeles (the “County”) pursuant to a resolution adopted on January 14, 2020, declared its intent to participate as a taxing entity in the District and form the PFA; and

WHEREAS, the City Council of the City and the PFA previously directed the City Manager/Executive Director, other appropriate City staff, Kosmont & Associates Inc., the City’s authorized EIFD consultant and the County to prepare the Infrastructure Financing Plan (“IFP”) in accordance with Government Code sections 53398.62 and 53398.63 of the EIFD Law and directed the PFA to provide all required notices and information, and conduct the public hearings regarding the IFP, all in accordance with the EIFD Law, and perform all other duties of the PFA under the EIFD Law, as necessary or desirable from time to time; and

WHEREAS, the PFA board is comprised of two members of the City Council, one member of the County Board of Supervisors, or his/her designee, and two members of the public, one of each chosen by the City and the County; and

WHEREAS, following three public hearings and approval of the IFP by the City and the County, the PFA properly adopted the IFP and formed the District in the form and manner required by law; and

WHEREAS, the purpose of the District is to assist in the provision of public facilities of communitywide significance that provide significant benefits and promote economic development within the District and City of La Verne. The District aims to support physical and aesthetic improvements, enhancing transportation connectivity, and expansion of utilities as described by the IFP; and

WHEREAS, the District does not have any personnel, office equipment, or other facilities necessary to conduct its essential operations and to carry out its remediation and project development programs and has requested that City provide such assistance; and

WHEREAS, the City is best positioned to provide assistance to the District in the form of personnel and City services in order for the District to function efficiently and to fulfill the purposes for which it was formed; and

WHEREAS, the City began providing such services on or about June 19, 2019, in order to facilitate the formation of the District and to meet existing and ongoing obligations and other contractual commitments; and

WHEREAS, the Parties desire to memorialize this cooperative arrangement by entering into a written agreement pursuant to which the City shall provide certain administrative services to the District and the District shall reimburse the City for such services in accordance with the terms and conditions herein.

NOW, THEREFORE, for the purposes set forth herein, and for good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties hereby agree as follows:

T E R M S:

Section A. General Provisions; Purpose

1. The Recitals set forth above are true and correct and are hereby incorporated by reference as though fully set forth herein.
2. The purpose of this Agreement is to establish a mechanism pursuant to which the District shall reimburse the City for costs incurred and funds advanced by the City to or for the benefit of the District.
3. City's authority:
 - a. City has sole discretion to select and assign specific City employee or employees and contractors to work on District projects.
 - b. City has sole discretion to direct the work, hire and evaluate the performance of the employees and contractors assigned to work on District projects, and retains the right to terminate or replace at any time any such person.

- c. City has sole discretion to determine the amount of compensation paid to employees or contractors assigned to work on District projects.
 - d. City, not District, shall pay employees and contractors assigned to work on the District projects from a City account.
4. The Executive Director and his or her designee, currently the Community Development Director, are hereby designated as the primary contacts for the District and all District projects and work shall be coordinated with the Executive Director and Community Development Director.
 5. The City will exercise good faith efforts to cause consultants and other professional services providers retained by City to act in a diligent and expeditious manner in performing work for the District. To the extent that consultants and professionals must work overtime at premium rates to expedite the process, the District shall pay for such expedited rates. Similarly, if the District requests expedited performance from City, the District shall reimburse the City for any additional expenditures associated with such expedited services, including without limitation, costs of expedited services performed by third party consultants retained by the City for that purpose. To the extent the District hires a Consultant, the City is authorized to administer such agreement.

Section B. Reimbursable City Costs

The City may request reimbursement for, and the District shall reimburse the City, for the following costs (collectively, "City Costs"):

1. Any and all administrative costs incurred by the City in furtherance of the establishment, management and operation of the District, and any staff time and overhead costs associated with services provided to the District, including without limitation, planning and architectural review, accounting and financial management, processing of entitlements, and engineering services.
2. In addition to the costs outlined in subsection (a) above, to the extent permitted by law, the District shall reimburse the City for costs it has incurred in connection with third-party service providers retained or deployed at District's request, including but not limited to, the following:
 - a. Preparing, reviewing, negotiating, and approving any legal documents in connection with the District or carrying out of the purposes and obligations set forth in the IFP;
 - b. Providing legal services related to the District, including without limitation, litigation and defense services related to any claim filed against the District;
 - c. Retaining consultants in connection with the District, including without limitation, financial advisors, environmental consultants, engineers, and planning specialists;

- d. Providing studies, reports, design services and other professional services and documents;
- e. Preparing agendas, reports, and presentations for District meetings;
- f. Attendance at District meetings; and
- g. Any and all other expenses incurred by the City in connection with the District.

Section C. Invoicing and Payments; Accounting

1. Invoices

Each month, City shall furnish to District an original invoice for all City Costs incurred during the preceding month. The invoice shall detail City Costs by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and subcontractor contracts. Except as to any charges disputed by the District, the District shall use its best efforts to pay or transfer funds to City within 30 days of receipt of City invoice. In the event any charges or expenses are disputed by the District, the original invoice shall be returned to City for correction and resubmission. Review and payment by District of any invoice provided by the City shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

2. Accounting; District's Right to Review City Records

City shall keep an accounting of the City Costs and all payments made by the District to the City. Upon written request, the City shall make available for District's review City records evidencing invoiced City Costs. Upon written request, which shall be reasonable and in accordance with all laws, the City shall make available for County's review City records evidencing invoiced City Costs.

Section D. Effective Date and Term

This Agreement shall be effective as of March 11, 2026 ("Effective Date"), and shall continue in full force and effect until the District has fully satisfied all outstanding reimbursement obligations pursuant to this Agreement, unless earlier terminated by one party providing the non-terminating party a 30-day written notice ("Early Termination"). An Early Termination does not operate as a waiver or release of the District's obligation to reimburse the City for any City Costs incurred and not yet invoiced as of the time the notice was provided.

Section E. Indemnification

District agrees to indemnify, protect, defend, and hold harmless the City and its officials, officers, employees, agents, elected boards, commissions, departments, agencies, and instrumentalities thereof (collectively, "City Parties"), from any and all actions, suits, claims, demands, writs of mandamus, liabilities, losses, damages, penalties, obligations, expenses, and any other actions or proceedings (whether legal,

equitable, declaratory, administrative, or adjudicatory in nature), and alternative dispute resolution procedures (including, but not limited to, arbitrations, mediations, and other such procedures) asserted by third parties against the District or City Parties, or any of them, that challenge, or seek to void, set aside, or otherwise modify or annul, the action of, or any approval by, the City for or concerning this Agreement (including, but not limited to, reasonable attorneys' fees and costs) (herein the "Claims and Liabilities") whether such Claims and Liabilities arise under federal, state, or local statute, law, ordinance, rule, regulation, or any decision of a court of competent jurisdiction. In the event any action for any Claims and Liabilities is brought against any of the City Parties, upon City's notification to District of the pendency of a claim or suit, District shall make a minimum deposit sufficient to pay all of District's indemnification obligations for the following 90 days, which includes legal costs and fees anticipated to be incurred as reasonably determined by the City. District shall make deposits required under this section within five (5) days of the City's written request. At no point during the pendency of such claim or suit, shall the minimum balance of the deposit fall below twenty-five thousand dollars (\$25,000). The obligations of District under this Section shall not apply to any claims, actions, or proceedings arising from the sole negligence or willful misconduct of the City. The obligations for indemnity under this Section E shall begin upon the Effective Date of the District and shall survive termination or expiration of this Agreement.

Section F. Governing Law and Consent to Venue

This Agreement shall be governed exclusively by the provisions hereof and shall be construed and interpreted in accordance with the laws of the State of California. Any legal action or proceeding brought to interpret or enforce this Agreement, or which in any way arises out of the Parties' activities undertaken pursuant to this Agreement, shall be filed and prosecuted in the appropriate California State Court in the County of Los Angeles, California. All references to District include all personnel, employees, and agents of District, except as otherwise specified in this Agreement. All references to City include its elected officials, appointed boards and commissions, officers, employees, agents, and volunteers.

Section G. Notices

All notices, demands, invoices, and communications shall be in writing and delivered to the following addresses or such other addresses as the Parties may designate by written notice:

To District: La Verne Enhanced Infrastructure Financing District
 3660 D Street
 La Verne, California 91750
 Telephone: 909-596-8726
 email: cityclerk@laverneca.gov
 Attn.: Ken Domer, Executive Director

copy to: Jones Mayer Law Firm
 3777 N. Harbor Boulevard

Fullerton, California 92835
Telephone: 714-446-1400
Fax: 714-446-1448
email: khb@jones-mayer.com
Attn.: Kimberly Hall Barlow, District Counsel

To City: City of La Verne
3660 D Street
La Verne, California 91750
Telephone: 909-596-8726
email: cityclerk@laverneca.gov
Attn.: Ken Domer, City Manager

copy to: Jones Mayer Law Firm
3777 N. Harbor Boulevard
Fullerton, California 92835
Telephone: 714-446-1400
Fax: 714-446-1448
email: khb@jones-mayer.com
Attn.: Kimberly Hall Barlow, City Attorney

Section H. Section Headings

All section headings are for convenience of reference only and are not intended to define or limit the scope or intent of any provision of this Agreement.

Section I. Amendments, Changes and Modifications

No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

Section J. Severability

If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given full force and effect.

Section K. Time is of the Essence

Time is of the essence with respect to this Agreement.

Section L. Counterparts

This Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument.

Section M. Entire Agreement

This Agreement contains the entire agreement between City and District and

supersedes any prior oral or written statements or agreements between City and District with respect to the subject matter of this Agreement.

IN WITNESS THEREOF, the Parties hereto have executed this Agreement as of the day and year written alongside the respective signature lines below.

**“DISTRICT”
LA VERNE ENHANCED FINANCING
DISTRICT**

**“CITY”
CITY OF LA VERNE**

Ken Domer, Executive Director

Tim Hepburn, Mayor

Executed on: _____

Executed on: _____

ATTEST:

ATTEST:

Debra Fritz, Deputy City Clerk

APPROVED AS TO FORM:

Kimberly Hall Barlow
City Attorney

Public Financing Authority (EIFD) Agenda Report



DATE: March 11, 2026
TO: Honorable Chair and Commission Members
FROM: Ken Domer, City Manager
SUBJECT: **APPROVAL OF AN AGREEMENT WITH KOSMONT FINANCIAL SERVICES FOR ONGOING ADVISORY SERVICES RELATED TO THE LA VERNE ENHANCED INFRASTRUCTURE FINANCING DISTRICT.**

SUMMARY

Kosmont Financial Services (KFS) has provided advisory services to the Public Financing Authority since its inception and KFS is a recognized leader in Enhanced Infrastructure Financing District understanding and implementation. The Board is asked to approve an ongoing agreement with KFS at a time and material basis per the Consultant's billing rates and as budgeted by the Board.

RECOMMENDATION

That the Board Approve an Agreement with Kosmont Financial Services for Ongoing Advisory Services and authorize the Executive Director to Execute the Agreement.

DISCUSSION

The Enhanced Infrastructure Financing District (EIFD) is a complicated product of state legislation created after the dissolution of redevelopment agencies. The La Verne EIFD was the second EIFD created in the State and even with its smaller size and limited District boundary, issues involving the District are complicated and require expertise not found within the City.

KFS assisted the City of La Verne in establishing the EIFD and has continued to help the City and District on issues affecting it. Recently, KFS helped update revenue projections for an entitle multi-family parcel that is being reviewed by an affordable housing developer to be 100% affordable, therefore, 100% exempt from paying property taxes. The exemption of property taxes from this one parcel is potentially devastating to the entirety of the District and KFS helped present that issue in meeting with the property owner and prospective developer. For the future, KFS will be needed to help review the Infrastructure Financing Plan (IFP) and updating the almost ten year old projections contained within it.

KFS will be paid for under its consultants fees and those costs will be budgeted for based on the proposed work and in the annual EIFD budget. It is estimated that costs will be approximately \$14,500 for the year, subject to Board discretion to amend based on needed additional tasks. While no term is included with the proposal, the City or KFS shall have the right to terminate this Agreement at any time upon written notification to the other party.

FISCAL ANALYSIS

The estimated annual budget for general consultation on EIFD technical matters, including, but not limited to, updated fiscal and financial projections, scoping and prioritization of projects for EIFD funding, and/or complementary funding and economic development strategies is \$14,500. Staff will propose a budgeted amount for general consultation and any additional services, to include an update to the Infrastructure Financing Plan, for the Board to be considered at the June meeting.

ENVIRONMENTAL ANALYSIS

Not applicable.

LEGAL REVIEW

ATTACHMENTS

1. KFS Proposal to La Verne EIFD PFA - EIFD Advisory 3-4-2026



March 4, 2026

Public Financing Authority of the La Verne Enhanced Infrastructure Financing District

c/o
Ken Domer
City Manager
City of La Verne
3660 D Street
La Verne, CA 91750

Re: Proposal for Enhanced Infrastructure Financing District (EIFD) Advisory

Dear Mr. Domer:

Kosmont Transactions Services, Inc. doing business as Kosmont Financial Services (KFS) (“Consultant” or “KFS”) is pleased to present this proposal to the Public Financing Authority of the La Verne Enhanced Infrastructure Financing District (“PFA” or “Client”) to provide ongoing advisory in connection with the La Verne Enhanced Infrastructure Financing District (“EIFD”). KFS is an Independent Registered Municipal Advisor (“IRMA”) with the U.S. Securities and Exchange Commission (“SEC”) and the Municipal Securities Rulemaking Board (“MSRB”). This proposal serves as an Agreement when executed and returned by Client to Consultant.

I. BACKGROUND AND OBJECTIVE

KFS understands that the PFA is seeking ongoing assistance with the implementation of its EIFD on an as-needed basis, such as with administrative and strategic tasks. KFS proposed the following Scope of Services accordingly.

II. SCOPE OF SERVICES

Approach to Tasks: The prospective assignment and consulting services that Consultant will provide will be of a relatively limited scope and duration, and advisory in nature. Consultant will be making recommendations only, which advise the Client and jurisdictions, including their elected officials, appointed officials, and staff, which they can accept or reject. None of Consultant’s staff will act in a capacity as an elected official, nor as an appointed official, nor as staff, nor as serving in a "designated" position.

Kosmont Financial Services

Mailing Address: 1601 N Sepulveda Blvd, #382
Manhattan Beach, CA 90266

(424) 297-1073
www.KosmontFinancial.com

Physical Address: 2301 Rosecrans Avenue
Suite 4140, El Segundo, CA 90245

Kosmont Financial Services is an Independent Registered Municipal Advisor with the SEC and the MSRB.

Task 1: General EIFD Technical Consultation

KFS will provide general consultation on EIFD technical matters, including, but not limited to, updated fiscal and financial projections, scoping and prioritization of projects for EIFD funding, and/or complementary funding and economic development strategies. KFS will prepare for and participate in public meetings related to the EIFD as mutually agreed upon by City and KFS.

EIFD-Related Municipal Advisory Services

City and KFS agree that evaluation or implementation of future EIFD-related public financings (e.g., tax increment allocation bonds, and/or City lease revenue financing to be repaid or guaranteed/committed in whole or in part with EIFD tax increment and other revenues, and/or financing utilizing engagement of the EIFD PFA) will involve KFS as the City's Municipal Advisor on a to-be-determined compensated basis.

III. SCHEDULE

Consultant is prepared to commence work upon receipt of an executed Agreement.

IV. COMPENSATION

Initial budget for Task 1 is estimated at \$14,500 to be billed at Consultant's billing rates as shown on Attachment A. Future increases in budget will require approval by Client in advance. Budget may be increased by Client at any time.

Full payment must be received by Consultant before the final written summary or report of Consultant's findings is released to Client.

Consultant is prepared to commence work upon receipt of executed Agreement.

Consultant anticipates a single consolidated round of Client comments and revisions on draft work product before Consultant provides a final version of work product. If necessary, additional rounds of comments and revisions can be accommodated on an hourly basis.

Services will be invoiced monthly at Consultant's standard billing rates, as shown on Attachment A. In addition to professional services (hourly) fees, invoices will include reimbursement for out-of-pocket expenses such as travel and mileage (provided that there shall be no overnight travel without the Client's prior approval and that mileage shall be reimbursed at the current IRS mileage reimbursement rate), professional printing, conference calls, and delivery charges for messenger and overnight packages at actual cost. Unless otherwise agreed to in advance, out-of-area travel, if any, requires advance funding of flights and hotel accommodations.

Consultant will also include in each invoice an administrative services fee to cover in-house copy, fax, telephone and postage costs equal to four percent (4.0%) of Consultant's monthly professional service fees incurred. Any unpaid invoices after 30 days shall accrue interest at the rate of 10% per annum.

For the convenience of Consultant's clients, we offer a secure credit card payment service. The credit card payment link is: <https://kosmont.paidyet.com> and there are two ways to make a secure credit card payment:

1. Fill in the "**Make a Payment**" form when you go to the link (<https://kosmont.paidyet.com>), or
2. Call Consultant's accounting desk (424) 297-1072 to make a credit card payment

V. DISCLOSURES AND OTHER INFORMATION RELATED TO THE ESTABLISHMENT OF AN INDEPENDENT REGISTERED MUNICIPAL ADVISORY RELATIONSHIP

Duties and Responsibilities of KFS

As an IRMA, KFS has a duty of care and loyalty to Client and has a fiduciary obligation to provide advice and conduct Municipal Advisory Activities in a manner that is in Client's best interests, not ours or those of any other party.

Disclosure of Material Conflicts

Circumstances when payment of KFS's professional fees is contingent upon a successful closing of any financing present an unavoidable conflict related to KFS advising Client whether to proceed with such financing. Receiving compensation upon a successful closing is an industry standard. KFS is accustomed and willing to work "at risk" when required and believes this conflict can and will be properly managed and mitigated, as is the case with other engagements KFS regularly undertakes. This conflict is naturally removed when KFS's compensation is based solely on an hourly (time and materials) basis [as is the case with this proposal].

Other than as stated above, KFS is not aware of any other conflicts that currently exist or that may come to exist by engaging in Municipal Advisory Activities with Client.

Disclosure of Legal or Disciplinary Events

Neither KFS, its principles, nor its Municipal Advisor Professionals assigned to Client have ever been the subject of any legal or disciplinary actions or events that may be material to Client's evaluation of KFS or the integrity of our management or personnel.

Termination of IRMA Relationship

Each of Client and KFS is free to terminate this IRMA relationship at any time by giving notice to the other party. While Client may ultimately undertake the issuance of municipal securities, such event will not necessarily trigger an automatic termination of the IRMA relationship that KFS has with Client. It is presently anticipated that KFS will continue to perform municipal advisory activities for Client at Client's pleasure and on an ongoing basis.

Compensation for Possible Future Real Estate Evaluation or Brokerage Services

The following is being provided solely as an advance disclosure of real estate brokerage services and potential compensation for such services. This disclosure is not intended to commit the Client.

When assignments involve real estate/property brokerage services, such transaction-based services are typically provided by Kosmont Real Estate Services, Inc. doing business as Kosmont Realty ("KR"). KR is licensed by the State of California Department of Real Estate (License# 02058445). Compensation to

KR is typically paid through commissions for property sale transactions, lease transactions and success/broker fees. KR also provides Broker Opinions of Value (“BOV”) services on a fixed fee basis.

VI. Other Provisions

A. Termination. Client or Consultant shall have the right to terminate this Agreement at any time upon written notification to the other party. Payment for fees accrued through the date of termination shall be remitted in full.

B. Arbitration. Any controversy or claim arising out of or in relation to this Agreement, or the making, performance, interpretation or breach thereof, shall be settled by arbitration at JAMS in Los Angeles, California. Each of the parties to such arbitration proceeding shall be entitled to take up to five depositions with document requests. The provisions of Section 1283.05 (except subdivision (e) thereof) of the California Code of Civil Procedure are incorporated by reference herein, except to the extent they conflict with this Agreement, in which case this Agreement is controlling. If the matter is heard by only one arbitrator, such arbitrator shall be a member of the State Bar of California or a retired judge. If the matter is heard by an arbitration panel, at least one member of such panel shall be a member of the State Bar of California or a retired judge. The arbitrator or arbitrators shall decide all questions of law, and all mixed questions of law and fact, in accordance with the substantive law of the State of California to the end that all rights and defenses which either party may have asserted in a court of competent jurisdiction shall be fully available to such party in the arbitration proceeding contemplated hereby. The arbitrator and arbitrators shall set forth and deliver their findings of fact and conclusions of law with the delivery of the arbitration award. Judgment upon the award rendered shall be final and non-appealable and may be entered in any court having jurisdiction.

C. Attorneys' Fees. In the event of any legal action, arbitration, or proceeding arising out of an alleged breach of this Agreement, the party prevailing in such legal action, arbitration, or proceeding shall be entitled to recover reasonable attorneys' fees, expenses and costs, as well as all actual attorneys' fees, expenses and cost incurred in enforcing any judgment entered.

D. Authority. Each of the parties executing this Agreement warrants that persons duly authorized to bind each such party to its terms have executed this Agreement.

E. Further Actions. The parties agree to execute such additional documents and take such further actions as may be necessary to carry out the provisions and intent of this Agreement.

F. Assignment. Neither this Agreement nor any of the rights or obligations hereunder may be assigned by either party without the prior written consent of the other party.

G. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

H. Entire Agreement; Amendments and Waivers. This Agreement contains the final, complete and exclusive agreement between the parties relating to the transactions contemplated hereby and any and all prior discussions, negotiations, commitments and understanding, whether written or oral, related hereto are superseded hereby. No addition or modification of any term or provision of this Agreement

shall be effective unless set forth in writing signed by both parties. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision hereof (whether or not similar), nor shall such waiver constitute a continuing waiver of such provisions unless otherwise expressly provided. Each party to this Agreement has participated in its drafting and, therefore, ambiguities in this Agreement will not be construed against any party to this Agreement.

I. Severability. If any term or provision of this Agreement shall be deemed invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each remaining term and provision of this Agreement shall be valid and in force to the fullest extent permitted by law.

J. Notices. All notices, requests, demands and other communications which may be required under this Agreement shall be in writing and shall be deemed to have been received when transmitted; if personally delivered, or transmitted by telecopier, electronic, or other digital transmission method, upon transmission; if sent by next day delivery to a domestic address by a recognized overnight delivery service (e.g., FedEx), the day after it is sent; and if sent by certified or registered mail, return receipt requested, upon receipt. In each case, notice shall be sent to the principal place of business of the respective party. Either party may change its address by giving written notice thereof to the other in accordance with the provisions of this paragraph.

K. Titles and Captions. Titles and captions contained in this Agreement are inserted only as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or the intent of any provision herein.

L. Governing Law. The statutory, administrative, and judicial law of the State of California (without reference to choice of law provisions of California law) shall govern the execution and performance of this Agreement.

M. Confidentiality. Each of the parties agrees not to disclose this Agreement or any information concerning this Agreement to any persons or entities, other than to their attorneys and accountants, or as otherwise may be required by law.

N. Counterparts. This Agreement may be executed in one or more counterparts, each of which constitutes an original, and all of which together constitute one and the same instrument. The signature of any person on a telecopy of this Agreement, or any notice, action or consent taken pursuant to this Agreement, shall have the same full force and effect as such person's original signature.

O. Disclaimer. Consultant's financial analysis activities and work product, which may include but is not limited to pro forma analysis and tax projections, are projections only. Actual results may differ materially from those expressed in any analysis performed by consultant due to the integrity of data received, market conditions, economic events and conditions, and a variety of other factors that could materially affect the data and conclusions. Client's reliance on Consultant's analysis must consider the foregoing.

Consultant services outlined and described herein are advisory services only. Any decisions or actions taken or not taken by Client and affiliates are deemed to be based on Client's understanding, and by execution of this Agreement, acknowledgement that Consultant's services are advisory only and as such cannot be relied on as to the results, performance and conclusions of any investment or project that



Client may or may not undertake as related to the services provided including any verbal or written communications by and between Client and Consultant.

Client acknowledges that Consultant's use of work product is limited to the purposes contemplated within this Agreement. Consultant makes no representation of the work product's application to, or suitability for use in, circumstances not contemplated by the scope of work under this Agreement.

P. Limitation of Damages. In the event Consultant is found liable for any violation of duty, whether in tort or in contract, damages shall be limited to the amount of compensation Consultant has received from Client.

Q. Force Majeure. Consultant shall not be liable for failure or delay in performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by significant circumstances beyond its reasonable control, including, without limitation: epidemic; acts of God; earthquakes; fires; floods; wars; civil or military disturbances; acts of terrorism; sabotage; strikes; riots; wide-spread power failures and wide-spread internet failure. Contractual performance and deadline(s) shall be extended for a period equal to the time lost by reason of the delay.

R. Expiration of Proposal for Services. If this Agreement is not fully executed by the parties within thirty (30) days from the date of this letter, this proposal shall expire.

S. Not an agreement for Legal Services or Legal Advice. This Agreement does not constitute an agreement for the performance of legal services or the provision of legal advice, or legal opinion. Client should seek independent legal counsel on matters for which Client is seeking legal advice.

[signature page follows]



VII. ACCEPTANCE AND AUTHORIZATION

If this Agreement is acceptable to Client, please execute two copies of the Agreement and return both originals to KFS. Upon receipt of both signed contracts, we will return one fully executed original for your files. KFS will commence work upon receipt of executed Agreement.

Read, understood, and agreed to this

____ Day of _____, 2026.

**Public Financing Authority of the
La Verne Enhanced Infrastructure
Financing District**

**Kosmont Transactions Services, Inc. dba
Kosmont Financial Services**

By: _____
(Signature)

By: _____
(Signature)

Name: _____
(Print Name)

Name: Larry J. Kosmont, CRE®

Its: _____
(Title)

Its: President



ATTACHMENT A
Kosmont Financial Services
2026 Public Agency Fee Schedule

Professional Services

President & CEO	\$540.00/hour
Sr. Managing Director / Sr. Vice President / Senior Advisor	\$405.00/hour
Vice President / Managing Director	\$295.00/hour
Senior Project Analyst	\$210.00/hour
Project Analyst / Project Research	\$195.00/hour
Assistant Project Analyst / Assistant Project Manager	\$170.00/hour
Project Promotion/Graphics/GIS Mapping Services	\$ 95.00/hour
Administrative Support	\$ 90.00/hour

• **Additional Expenses**

In addition to professional services (labor fees):

- 1) An administrative fee for in-house copy, fax, phone, postage costs, digital/technological support and related administrative expenses will be charged, which will be computed at four percent (4.0 %) of monthly Kosmont Financial Services professional service fees incurred; plus
- 2) Out-of-pocket expenditures, such as travel and mileage, professional printing, and delivery charges for messenger and overnight packages will be charged at cost.
- 3) Project/Market data sources for support of evaluation and analysis e.g., ESRI, Placer.ai, CoStar/STR, IMPLAN, ParcelQuest, Refinitiv and other based on quoted project cost.
- 4) If Kosmont retains Third Party Vendor(s) for Client (with Client's advance approval), fees and cost will be billed to Client at 1.1X (times) fees and costs.
- 5) Consultant's attendance or participation at any public meeting, whether such participation is in person, digital, video and/or telephonic (e.g., *City Council, Planning Commission, Public Agency Board, other*) requested by Client and are beyond those specifically identified in the Scope of Work will be billed at the professional services (hourly) fees as shown on this Attachment A.

• **Charges for Court/Deposition/Expert Witness-Related Appearances**

Court-related (non-preparation) activities, such as court appearances, depositions, mediation, arbitration, dispute resolution and other expert witness activities, will be charged at a court rate of 1.5 times scheduled rates, with a 4-hour minimum.

Rates Effective until December 31, 2026. For and during the term of the subject Agreement, the above referenced rates in each category will be increased, effective January 1, 2027, and annually thereafter, to reflect the adjustment in the CPI (U.S. Dept. of Labor, Bureau of Labor Statistics) All Cities Average Consumer Price Index for the prior year. As an example, the US City Average Consumer Price Index (CPI-U) for December 2025 was 0.3, representing a change of 2.7 percent over the index of the previous 12 months.

Kosmont Financial Services

Mailing Address: 1601 N Sepulveda Blvd, #382
 Manhattan Beach, CA 90266

(424) 297-1073
 www.KosmontFinancial.com

Physical Address: 2301 Rosecrans Avenue
 Suite 4140, El Segundo, CA 90245

Kosmont Financial Services is an Independent Registered Municipal Advisor with the SEC and the MSRB.